

IAEA Board of Governors

Record of the 1163rd Meeting
GOV/OR.1163

Nuclear Verification

(g) Report by the Director General on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran

Board of Governors

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Record of the 1163rd Meeting

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¹ GOV/2006/39.

Attendance

(The list below gives the name of the senior member of each delegation who attended the meeting, as well as that of any other member whose statement is summarized in this record.)

Mr. AMANO		Chairman (Japan)
Ms. FEROUKHI	_____	Algeria
Mr. CURIA		Argentina
Ms. STOKES		Australia
Mr. MACKAY		Belarus
Mr. NIEUWENHUYS		Belgium
Mr. VIEIRA DE SOUZA		Brazil
Ms. GERVAIS-VIDRICAIRE		Canada
Mr. SUN Qin	}	China
Mr. TANG Guoqiang		
Mr. ARÉVALO YÉPES		Colombia
Ms. GOICOCHEA ESTENOZ		Cuba
Mr. MOREJÓN-ALMEIDA		Ecuador
Mr. RAMZY		Egypt
Mr. DENIAU		France
Mr. HONSOWITZ		Germany
Mr. BEKOE		Ghana
Mr. PAPADIMITROPOULOS		Greece
Mr. SHARMA		India
Mr. WIBOWO		Indonesia
Mr. SUMI		Japan
Mr. KIM Sung-Hwan		Korea, Republic of
Mr. GASHUT		Libyan Arab Jamahiriya
Mr. LUNDBY		Norway
Mr. BRAMÃO RAMOS		Portugal
Mr. BERDENNIKOV		Russian Federation
Mr. GAFOOR		Singapore
Mr. MACHÁČ		Slovakia
Mr. PETRIČ		Slovenia
Mr. MINTY		South Africa
Ms. WIJEWARDANE		Sri Lanka
Ms. MELIN		Sweden
Mr. OTHMAN		Syrian Arab Republic
Mr. JENKINS		United Kingdom of Great Britain and Northern Ireland
Mr. SCHULTE		United States of America
Ms. GARCÍA DE PÉREZ		Venezuela, Bolivarian Republic of
Mr. SHUGA'A		Yemen
Mr. ELBARADEI	_____	Director General
Mr. ANING		Secretary of the Board

Representatives of the following Member States also attended the meeting:

Afghanistan, Angola, Austria, Azerbaijan, Bangladesh, Bolivia, Bulgaria, Burkina Faso, Chile, Côte d'Ivoire, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Ethiopia, Finland, Georgia, Guatemala, Holy See, Hungary, Islamic Republic of Iran, Iraq, Ireland, Israel, Italy, Kazakhstan, Kuwait, Lithuania, Luxembourg, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Romania, Saudi Arabia, Serbia, Spain, Switzerland, The Former Yugoslav Republic of Macedonia, Tunisia, Turkey, Ukraine.

Abbreviations used in this record:

EFTA	European Free Trade Association
EU	European Union
HEU	high-enriched uranium
LEU	low-enriched uranium
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NWFZ	nuclear-weapon-free zone
OIC	Organization of the Islamic Conference
P-5	The five permanent members of the United Nations Security Council
R&D	research and development
SIR	Safeguards Implementation Report
Tlatelolco Treaty	Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean

* Speakers under Rule 50 of the Provisional Rules of Procedure are indicated by an asterisk.

8. Nuclear verification (continued)

(g) Report by the Director General on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran (GOV/2006/27 and 38)

1. The CHAIRMAN said that on 28 April 2006 the Director General had issued a report, contained in document GOV/2006/27, on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran. He said that document GOV/2006/38, issued on 8 June 2006, covered subsequent developments.

2. Ms. HUSSAIN (Malaysia)*, speaking on behalf of NAM, informed the Board that during the Ministerial Meeting of the Coordinating Bureau of NAM, held in Putrajaya, Malaysia, from 27 to 30 May 2006, the NAM Ministers had adopted the following statement on the Islamic Republic of Iran's nuclear issue:

“1. The Ministers reiterated their principled positions on nuclear disarmament and non-proliferation reflected in the Final Document of the Ministerial Meeting of the Coordinating Bureau of the Non-Aligned Movement, held in Putrajaya, Malaysia, from 27 to 30 May 2006. They considered the developments regarding the implementation of the NPT safeguards agreement in the Islamic Republic of Iran.

“2. The Ministers reaffirmed the basic and inalienable right of all States to develop research, production and use of atomic energy for peaceful purposes, without any discrimination and in conformity with their respective legal obligations. Therefore, nothing should be interpreted in a way as inhibiting or restricting this right of States to develop atomic energy for peaceful purposes. They furthermore reaffirmed that States' choices and decisions in the field of peaceful uses of nuclear technology and its fuel cycle policies must be respected.

“3. The Ministers recognized the IAEA as the sole competent authority for verification of the respective safeguards obligations of Member States and stressed that there should be no undue pressure or interference in the Agency's activities, especially its verification process, which would jeopardize the efficiency and credibility of the Agency.

“4. The Ministers welcomed the cooperation extended by the Islamic Republic of Iran to the IAEA, including those voluntary confidence building measures undertaken, with a view to resolve the remaining issues. They noted the assessment of the IAEA Director General that all nuclear material declared by Iran had been accounted for. They noted, at the same time, that the process for drawing a conclusion with regard to the absence of undeclared material and activities in Iran is an ongoing and time-consuming process. In this regard, the Ministers encouraged Iran to urgently continue to cooperate actively and fully with the IAEA within the Agency's mandate to resolve outstanding issues in order to promote confidence and a peaceful resolution of the issue.

“5. The Ministers emphasized the fundamental distinction between the legal obligations of States to their respective safeguards agreements and any confidence building measures voluntarily undertaken to resolve difficult issues, and believed that such voluntary undertakings are not legal safeguards obligations.

“6. The Ministers considered the establishment of nuclear-weapon-free zones (NWFZs) as a positive step towards attaining the objective of global nuclear disarmament and reiterated the support for the establishment in the Middle East of a nuclear-weapon-free zone, in accordance with relevant General Assembly and Security Council resolutions. Pending the establishment of such a zone, they demanded Israel to accede to the NPT without delay and place promptly all its nuclear facilities under comprehensive IAEA safeguards.

“7. The Ministers reaffirmed the inviolability of peaceful nuclear activities and that any attack or threat of attack against peaceful nuclear facilities — operational or under construction — poses a great danger to human beings and the environment, and constitutes a grave violation of international law, principles and purposes of the Charter of the United Nations and regulations of the IAEA. They recognized the need for a comprehensive multilaterally negotiated instrument, prohibiting attacks, or threat of attacks on nuclear facilities devoted to peaceful uses of nuclear energy.

“8. The Ministers strongly believed that all issues on safeguards and verification, including those of Iran, should be resolved within the IAEA framework, and be based on technical and legal grounds. They further emphasized that the Agency should continue its work to resolve the Iranian nuclear issue within its mandate under the Statute of the IAEA.

“9. The Ministers also strongly believed that diplomacy and dialogue through peaceful means must continue to find a long-term solution to the Iranian nuclear issue. They expressed their conviction that the only way to resolve the issue is to resume negotiations without any preconditions and to enhance cooperation with the involvement of all necessary parties to promote international confidence with a view to facilitating the Agency’s work on resolving the outstanding issues.”

3. Mr. STELZER (Austria)*, speaking on behalf of the EU, said that the acceding countries Bulgaria and Romania, the candidate countries Turkey, Croatia and the former Yugoslav Republic of Macedonia, the countries of the Stabilisation and Association Process and potential candidates Albania, Bosnia and Herzegovina, Serbia, the EFTA countries Iceland and Liechtenstein, members of the European Economic Area, as well as Ukraine and Moldova, aligned themselves with his statement.

4. He said that the EU applauded the Agency for its continuing professional and impartial efforts to clarify all outstanding issues with regard to the Iranian nuclear programme. The EU remained concerned that several outstanding safeguards issues and other international concerns about the Islamic Republic of Iran’s nuclear programme remained to be resolved, and that repeated requests by the Board remained to be fulfilled.

5. At the same time, the EU was encouraged that a new momentum to find a negotiated solution to the issue had been created in recent days. In that regard, the EU welcomed the important initiative of the EU High Representative, the Foreign Ministers of France, Germany, the United Kingdom, and China, the Russian Federation and the United States of America, which had been agreed in Vienna on 1 June 2006. That initiative offered the chance for a negotiated agreement with Iran based on a cooperative approach. The EU gave its full support to the balanced approach incorporated in the Vienna understandings.

6. The EU further welcomed the meetings held by the EU High Representative, accompanied by representatives of France, Germany, the United Kingdom and the Russian Federation, with the authorities of the Islamic Republic of Iran in Teheran on 6 June 2006, and the constructive atmosphere in which that visit had taken place.

7. The EU urged Iran to respond positively to that far-reaching initiative.

8. Mr. SCHULTE (United States of America) said that in September 2005 the Agency had made two important findings: firstly, that the Islamic Republic of Iran had violated its safeguards obligations

under the NPT; and secondly, that Iran had lost international confidence that its nuclear programme was exclusively peaceful. The Agency and the Security Council had called on Iran to cooperate fully and proactively in resolving troubling questions about its nuclear programme. The Agency and the Security Council had also called on Iran to refrain from activities to enrich uranium and produce plutonium. The Islamic Republic of Iran had failed to heed those calls.

9. Instead of suspending uranium enrichment related activity, Iran was conducting small-scale operations and had announced ambitious plans to proceed with larger-scale operations. Instead of halting work on a heavy water reactor that would produce plutonium, Iran was forging ahead with construction. Instead of granting Agency requests for greater access, Iran had limited the number and location of visits by inspectors and had refused Agency requests to upgrade monitoring capabilities. Instead of answering Agency questions, Iran had declined to satisfy Agency concerns about ties to the A.Q. Khan network, an illicit market for nuclear weapons technology and assistance; had declined to meet the Agency's request to turn over a document from the A.Q. Khan network on fabricating components for nuclear weapons; had declined to answer Agency questions about advanced and potentially undeclared centrifuge programmes; and had declined to explain apparent connections between an undeclared uranium conversion programme and the design of a missile warhead.

10. The report by the Director General contained in document GOV/2006/38 was sparing in words but clear in its content. Iran was continuing to withhold cooperation with the Agency on almost every outstanding issue, and was not implementing any of the confidence building measures requested by the Board and backed by the Security Council.

11. No one disputed Iran's right to a peaceful nuclear programme in conformity with its NPT obligations, but its programme made no sense from a civil perspective. Iran's leaders had said that they needed the heavy water research reactor at Arak to produce medical isotopes, but why were they making that large investment when an existing research reactor in Tehran remained underutilized? Iran's leaders had claimed that they needed enriched uranium for nuclear power plants, but Iran had no nuclear power plants, and the one under construction at Bushehr would be receiving fuel from the Russian Federation. Iran's leaders had claimed that they needed the capability to enrich uranium in order to be self-sufficient, but the known reserves of natural uranium in Iran were sufficient only to power a single reactor for less than seven years. Even adding speculative reserves, Iran would run out of uranium soon after completing construction of just seven reactors. The case of Iran should be compared with the examples of the Republic of Korea and Sweden. The Republic of Korea had 20 nuclear power plants, and Sweden obtained 40% of its electricity from nuclear power; both were advanced countries, yet neither enriched uranium. The programmes and actions of Iran's leaders were not consistent with a peaceful programme.

12. The goal was to secure a diplomatic solution in which the leaders of Iran provided tangible assurances that they did not seek to acquire nuclear weapons. With that goal in mind, the United States had worked with Europe, the Russian Federation, China and other like-minded countries to present Iran's leaders with a clear choice.

13. The negative choice was for them to maintain their present course, ignoring international concerns and international obligations, but that would only incur great costs and lost opportunities. The positive and constructive choice, which would most benefit the Iranian people, was for Iran's leaders to alter their present course and to cooperate in resolving the nuclear issue.

14. That must start by Iran meeting Agency and Security Council requests to suspend all activities related to uranium enrichment and plutonium reprocessing, including R&D. Those activities, which had once been pursued covertly and were now being pursued in contradiction of Agency resolutions, were not necessary for Iran to enjoy the benefits of civil nuclear power, but they were a necessary step

in mastering the technology and acquiring the material and know-how to produce weapons-grade material. Hence the concern of the international community, and the requirement by the Security Council, the Board of Governors and the six Ministers to suspend those activities.

15. Suspending those activities would allow the Security Council to suspend its action and would allow France, Germany and the United Kingdom, joined by the United States of America and others, to open negotiations for a long-term agreement that would both reaffirm and advance Iran's right to nuclear energy for peaceful purposes, including access to nuclear fuel and civil nuclear technology. Such an agreement would also open the prospect for increasing political dialogue and economic cooperation with the rest of the world. That choice would be of real benefit to the Iranian people and lead to their long-term security.

16. When the Foreign Ministers of France, Germany, the United Kingdom, the Russian Federation, China and the United States had met in Vienna on 1 June 2006, the substance of the message could not have been clearer. The Government of the Islamic Republic of Iran had a choice between two paths: one offering considerable benefits, including peaceful nuclear technology and civil nuclear power, and the second bringing to bear the weight of the Security Council. Also, the delivery of the message could not have been clearer: six Ministers representing Europe, the Russian Federation, China and the United States, standing side-by-side in complete solidarity. It was his delegation's hope that Iran's leaders would think carefully about the proposal from the six Foreign Ministers, and would think about what was best for the economic prosperity and long-term security of the Iranian people. His delegation also hoped that other countries, including all those represented in the current meeting of the Board, would encourage Iran's leaders to make the right choice, which would be a choice for cooperation and negotiation, and a choice to grasp the diplomatic opportunities now being offered.

17. Mr. SUMI (Japan), expressing his country's sincere appreciation to the Director General and his team in the Department of Safeguards for their outstanding efforts and high level of technical professionalism in trying to resolve the Iranian nuclear issue, said that no country was denying Iran the right to use nuclear energy for peaceful purposes. What mattered was how that country could restore the confidence of the international community in order to pursue further its programme of the peaceful use of nuclear energy. Since outstanding issues remained unresolved and the confidence of the international community had not been restored, Japan was deeply concerned that Iran was continuing to conduct enrichment related activities and that it had also suspended voluntary implementation of the additional protocol and other measures since 5 February 2006. Japan reiterated its call to Iran to rebuild that confidence by fulfilling all the requirements of previous Board resolutions, including the resolution adopted in February 2006, contained in document GOV/2006/14.

18. Japan considered that the issue should be resolved by continued diplomatic efforts and supported the initiatives of France, Germany and the United Kingdom, together with China, the Russian Federation and the United States of America, to that end. Japan hoped that Iran would seriously consider the significance of their recent proposal and agree to come to the consultation table. Japan also supported the United States proposal that it would come to the table with the three European countries and meet the representative of the Islamic Republic of Iran as soon as that country fully and verifiably suspended its enrichment and reprocessing activities.

19. The Foreign Minister of Japan had recently spoken to his counterpart in Iran to urge that country to seize the current opportunity for dialogue and give full consideration to the proposal. Japan, determined to play a substantial role in the matter, was continuing to carry out close consultations with the parties concerned. Japan reiterated its strong expectation that Iran would respond appropriately to the international community on the issue with a view to its peaceful and diplomatic solution.

20. Mr. DENIAU (France), speaking also on behalf of the delegations of Germany and the United Kingdom, said that all three countries fully subscribed to the statement made by the representative of Austria on behalf of the EU.

21. Thanking the Director General for his clear and incisive reports contained in documents GOV/2006/27 and GOV/2006/38, he said that they showed that in recent months cooperation with the Agency had been reduced virtually to zero and that many important questions were still to be resolved. The reports also showed that the confidence building measures requested repeatedly and unanimously by the Board of Governors had still not been implemented. Specifically, the Board had repeatedly requested that Iran abstain from any enrichment related and reprocessing activities and that it implement the additional protocol.

22. The situation gave cause for concern and confirmed that confidence building measures were more necessary than ever. The Foreign Ministers of France, Germany and the United Kingdom had taken the initiative, jointly with their counterparts from the United States of America, the Russian Federation and China, and the High Representative of the EU, in holding a meeting in Vienna on 1 June 2006. At that meeting, they had approved the elements of a new proposal intended to resolve the Iran nuclear issue in the framework of a long-term agreement based on mutual respect and the establishment of international confidence in the exclusively peaceful nature of that country's nuclear programme. At the end of that meeting, the British Foreign Secretary had issued a statement to the press on behalf of the participants, which had been communicated to the Board on 13 June 2006 as information document GOV/INF/2006/11.

23. On 6 June 2006, the proposal had been presented to the Iranian authorities in Tehran by the High Representative of the EU, accompanied by the three EU Political Directors and by the Deputy Foreign Minister of the Russian Federation. They had met Mr. Larijani, Secretary of the Supreme National Security Council of the Islamic Republic of Iran, and that country's Foreign Minister, Mr. Mottaki. The purpose of those meetings had been to deliver the offer to the Iranian authorities, not to enter into negotiations. The meetings had taken place in a cordial and positive atmosphere.

24. At the present delicate stage in the process, the six had taken the decision not to make public the details of their proposal.

25. The countries on whose behalf he was speaking expressed the wish that the Iranian authorities should respond positively to the ambitious offer which had been presented to them and that they should satisfy the requests made of them by the Agency concerning verification and confidence building measures.

26. Ms. GERVAIS-VIDRICAIRE (Canada) said that her country fully supported the Director General's efforts to urge the Islamic Republic of Iran to accelerate its cooperation with the Agency and reiterated the importance of its implementation of the confidence building measures requested by the Board of Governors and the Security Council.

27. Canada commended the recent efforts of France, Germany and the United Kingdom, plus China, the Russian Federation and the United States of America, to find a diplomatic path towards resolution of the serious international concerns about Iran's nuclear programme. That path fully recognized Iran's rights to develop nuclear energy for peaceful purposes in conformity with its NPT obligations, and offered it an opportunity to continue to enjoy those rights as it worked to rebuild the confidence it had lost through its past policy of concealment and its continued unwillingness to cooperate fully and transparently with the Agency. It would also open new avenues for Iran to engage in increased economic and political cooperation.

28. The proposals that had been put forward held out the promise of significant opportunities for all parties. Iran had been offered a choice, and it was now up to it to make that choice. Canada encouraged Iran not to reject the proposals. To realize the significant opportunities now before it, Iran needed only to heed the calls that had been made of it by the Board and by the Security Council. Those calls — and in particular the call to refrain from enrichment and reprocessing activities — were not inconsistent with Iran's rights and obligations under the NPT and would not hinder its access to the peaceful use of nuclear energy. Indeed, the suspension of those activities could actually lead to enhanced access to the peaceful use of nuclear energy for Iran. The proposals would provide a sound basis for the resumption of discussions for a durable long-term solution addressing the serious concerns of the international community. Canada strongly encouraged Iran to avail itself of that opportunity.

29. Finally, her delegation requested that the two reports by the Director General on implementation of the NPT safeguards agreement in the Islamic Republic of Iran contained in documents GOV/2006/27 and GOV/2006/38 be made public.

30. Mr. VIEIRA DE SOUZA (Brazil), reiterating his country's support for the Agency's efforts to verify the fulfilment of obligations arising from Iran's safeguards agreement, noted that the Agency was not yet in a position to confirm the exclusively peaceful nature of that country's nuclear programme, and for that reason urged Iran to extend the fullest transparency and cooperation to the Agency.

31. His Government attached great importance to all gestures that favoured dialogue with a view to reaching peaceful and long-lasting solutions to issues pertaining to international security. Brazil therefore hoped that the recent proposal by the three European countries and China, the Russian Federation and the United States of America might pave the way for a positive outcome to the issue. His delegation was confident that such a solution could be devised within the framework of the Agency with due regard to the inalienable right of all non-nuclear-weapon States Party to the NPT to the development, production and use of nuclear energy for peaceful purposes. To that end, Brazil called upon Iran to demonstrate its cooperation with the international community, including through full cooperation with the Agency and the resumption of the voluntary confidence building measures requested by the Board. Brazil also called upon Iran to consider positively the aforementioned proposal and to engage constructively in the negotiating process.

32. Mr. GAFOOR (Singapore), noting that the Director General had urged Iran to accelerate its cooperation with the Agency on outstanding verification issues and had reiterated the importance of its implementation of the confidence building measures requested by the Board, said that in order to preserve the Agency's integrity and credibility it was important that Member States respected and complied with Board resolutions. Iran's right to nuclear energy for peaceful purposes was not inconsistent with its responsibility to restore international confidence in the peaceful nature of its nuclear programme.

33. Singapore supported the current efforts by certain countries to find a solution to the issue through dialogue and negotiations. The initiative taken by the three European countries together with China, the Russian Federation and the United States of America presented one more chance for dialogue and negotiations. Singapore hoped that Iran would not miss that opportunity, and that with flexibility and goodwill a negotiated outcome that was satisfactory to all parties concerned could be achieved.

34. Ms. STOKES (Australia) expressed her delegation's support for the professional efforts of the Secretariat to implement safeguards in Iran. It was a matter of concern that Iran had still not taken the steps called for by the Board in February 2006, including: suspending enrichment related and

reprocessing activities, including research and development; reconsidering the construction of its heavy water research reactor; and ratifying and implementing its additional protocol. Regrettably, Iran had chosen also to ignore the wishes of the Security Council. It had not yet complied with the statement on non-proliferation made by the President of the Security Council on 29 March 2006, contained in document GOV/INF/2006/7, calling on it to take the steps required by the Board, particularly to build confidence in the exclusively peaceful purpose of its nuclear programme by halting its enrichment and reprocessing activities. Furthermore, the Director General's reports contained in documents GOV/2006/27 and GOV/2006/38 had confirmed that the Agency remained unable to clarify many outstanding safeguards issues as Iran had not provided all the information or all the access sought by the Agency. Those outstanding issues included the extent of its centrifuge activities, concerns about LEU and HEU traces that had been found in the country, and unanswered questions about the Physics Research Centre. Troubling information on a number of apparently connected activities which could have a military nuclear dimension also remained unexplained.

35. Australia, which remained committed to a diplomatic solution, welcomed the recent proposal made by France, Germany, the United Kingdom, China, the Russian Federation and the United States of America aimed at overcoming the current situation and opening the way for negotiations. Australia also welcomed the commitment by the United States of America to join the others in negotiations with Iran should that country fully and verifiably suspend its enrichment related and reprocessing activities.

36. Australia urged Iran not to lose the historic opportunity now before it. It was essential to be clear about the seriousness of the choice it had to make; the right choice would set the country on the path to a future as a respected member of the international community, reaping the benefits of constructive international relationships. She underscored that Australia was not opposed to Iran's development of peaceful nuclear energy. It first needed to establish international confidence, particularly through setting aside its sensitive fuel cycle ambitions and cooperating fully with the Agency.

37. She joined the Governor from Canada in proposing that the reports by the Director General contained in documents GOV/2006/27 and GOV/2006/38 be made public.

38. Ms. GARCÍA DE PÉREZ (Bolivarian Republic of Venezuela), having noted the reports before the Board, said her delegation shared with other members of the international community the desire for a world free of nuclear weapons and fully agreed on the need for nuclear disarmament. Venezuela was firmly committed to that ideal as expressed in the NPT, but it disagreed with the methods being used in the present case. It advocated strengthening the safeguards system, but on the basis of equality, mutual respect and defence of the principles of international law and those set out in the NPT and the Statute.

39. It was the inalienable right of States to engage in R&D for all phases of the use of atomic energy for peaceful purposes without discrimination and in conformity with their respective legal obligations. Member States of the Agency, including Iran, had the right to the use of the full nuclear cycle for peaceful purposes. It went without saying that measures must be sought to ensure that members of the international community remained committed to that goal.

40. Her delegation shared NAM's view that a clear distinction should be made between the legal obligations assumed by States through the agreements that they signed and the voluntary commitments that they undertook. Voluntary commitments could not be transformed into legal obligations. According to the reports submitted, Iran had complied strictly with its legal obligations. All its nuclear activities remained under the Agency's supervision, including its R&D and enrichment activities. In all of its reports, the Agency had pointed out that for the past three years, no irregularities in Iran's use

of nuclear energy could be detected but that time was required to clarify aspects as yet unverified. She accordingly endorsed the wise appeal for patience in seeking a solution to the problem.

41. All the outstanding issues should be resolved in the framework of the Agency, without involving other international bodies, and no efforts should be spared to that end. Her delegation appealed to Iran to redouble its cooperation efforts to meet the Agency's demands and thereby resolve the open questions. That would be of benefit not only to Iran but also to all States committed to peace and international security.

42. As the Director General had pointed out in his introductory statement, the issue could still be solved through dialogue and negotiation. She welcomed the efforts being made in that direction to arrive at a just and reasonable agreement and encouraged all the parties concerned to continue the process. A diplomatic solution in the spirit of equality, equity and justice enabling the Agency to continue its work to build a verification and safeguards system that was viable and reliable must be found. No arguments to date had swayed Venezuela from its belief that solving the problem in that way was in the best interests not only of Iran but also of the international community.

43. Mr. MINTY (South Africa) endorsed the statement made on behalf of NAM and commended the Director General and his staff for their untiring efforts to resolve the few outstanding issues relevant to the peaceful nuclear programme of Iran. Welcoming the cooperation extended by the Iranian authorities to the Agency, he said it must be maintained and strengthened.

44. The reports by the Director General under consideration showed that some welcome but limited progress had been made towards resolving the outstanding issues pertaining to Iran's nuclear programme. His country noted the Director General's comments that providing credible assurances regarding the absence of undeclared nuclear material and activities in Iran required active cooperation and full transparency on the part of Iran. South Africa welcomed Iran's commitment not to acquire nuclear weapons or other nuclear explosive devices in accordance with its obligations under Article II of the NPT but, at the same time, felt there was a need for voluntary confidence building measures to address certain concerns.

45. South Africa, as recently confirmed by its Prime Minister, recognized the inalienable right of all Parties to the NPT, including the Islamic Republic of Iran, to the peaceful uses of nuclear technology. It urged Iran to cooperate fully with the Secretariat to allow the Agency to bring the matter to a close and restore confidence in the peaceful nature of its nuclear activities. The ratification and implementation of the additional protocol and continued full implementation of voluntary, non-legally binding confidence building measures, as called for by the Board in previous consensus decisions, were essential not only to clarify pending issues but also to allay fears some might have about Iran's commitment to its obligations under the NPT.

46. South Africa believed that the best approach was to keep the issue within the framework of the Agency and seek, by means of dialogue and negotiations, an agreement that respected the legitimate sovereign interests of all the countries concerned, thereby avoiding confrontation and any action that might aggravate regional tensions. In that context, South Africa commended recent positive statements by the United States of America and the fact that it was ready to participate in negotiations with others and Iran. Also, his delegation was pleased that Iran had undertaken to give careful consideration to the recent proposal made by France, Germany and the United Kingdom together with China, Russia and the United States. South Africa urged all parties to exercise restraint with a view to building trust and finding an amicable long-term solution.

47. Lastly, he requested the Director General to continue providing the Board with updates on developments.

48. Mr. RAMZY (Egypt) said his country was following with keen interest the international efforts aimed at finding a solution that would dispel doubts surrounding the Iranian nuclear programme. Reaffirming the right of all countries to develop and use nuclear technology for peaceful purposes, he called for additional efforts to solve the current crisis while preserving the rights of all. The high-level diplomatic efforts of the past few weeks were positive steps that could be built upon and he urged all parties to show the necessary degree of flexibility and a positive attitude in order to arrive at a peaceful solution. At the same time, Iran must work to bring all the pending issues mentioned in the reports of the Director General to a close.

49. International efforts aimed at verification of the Iranian nuclear programme should be placed in the proper perspective, namely the threat of nuclear proliferation in the Middle East. The credibility of the international community and of the Agency were directly linked to serious follow-up of Security Council, General Assembly and General Conference resolutions on the establishment of a NWFZ in the Middle East. NAM had called for such a zone as a positive step towards the elimination of nuclear weapons on a global scale. To that end, his delegation called on Israel to place all its nuclear facilities under comprehensive safeguards and to accede to the NPT without prevarication or delay so as to foster an atmosphere conducive to a just and lasting peace in that region.

50. Mr. TANG Guoqiang (China) said there was a desire throughout the international community to see the Iranian nuclear issue peacefully resolved through diplomatic negotiations. Six countries, namely China, France, Germany, Russia, the United Kingdom and the United States, had recently reached consensus on a far-reaching proposal aimed at solving the issue. The countries had reaffirmed the need to solve the issue through diplomatic negotiations, had affirmed Iran's right to peaceful use of nuclear energy and had expressed the hope of seeing a positive response from Iran to the relevant Board resolutions and the statement by the President of the Security Council, reproduced in document GOV/INF/2006/7.

51. China appreciated the initiative of the three EU countries in having put forward that proposal, which it hoped could serve as a basis for the resumption of negotiations and provide conditions for resolving differences at an early date. Also, China welcomed the fact that the United States had recently indicated its willingness to join in the negotiations. The urgent task was to overcome obstacles and resume negotiations as soon as possible. Only once the parties started talking could their concerns be properly understood and problems solved. All the parties concerned should continue to make efforts to that end.

52. All Parties to the NPT had the right to the peaceful use of nuclear energy while also observing their corresponding obligations. China hoped that Iran would respond positively to the requests in the Board's resolutions for it to adopt a constructive attitude and create conditions for resuming negotiations and that it would cooperate fully with the Agency to clarify unresolved issues soon. It also hoped that the parties concerned would adopt positive attitudes, display further flexibility, give careful consideration to one another's concerns and push for the resumption of negotiations. China had always worked, in its own way, with all the parties to promote reconciliation. It was ready to work with the international community and play a constructive role in achieving an early and proper resolution of the Iranian nuclear issue.

53. Mr. WIBOWO (Indonesia) said the Director General's reports, notably the most recent one, had given a clear picture of how, during the past three years, the Agency had encountered difficult circumstances and challenges in conducting its mandated activities with respect to the issue under discussion. If the Agency, as the sole competent authority for safeguards, was to tackle and solve the Iranian nuclear issue and if its credibility and impartiality were to be maintained, then Member States must be determined to give it their full support to enable it to carry out its duties effectively. Full

cooperation and flexibility from Iran and objectivity and maximum restraint from others were now essential.

54. Indonesia welcomed all efforts to seek a peaceful solution of the Iranian nuclear issue. It endorsed the view expressed by the Director General in his introductory statement that efforts to reach a comprehensive agreement should address both the need of the international community to establish confidence in the exclusively peaceful nature of Iran's nuclear programme and Iran's security, technology and economic concerns, and that the way forward lay in dialogue and mutual accommodation among all concerned parties.

55. Lastly, he reiterated Indonesia's strong commitment to the NPT pillars, namely nuclear disarmament, non-proliferation and the peaceful uses of nuclear energy, while firmly supporting the inalienable right of all States to develop nuclear energy for peaceful purposes. Indonesia was strongly opposed to the use of nuclear technology by any State whatsoever to build nuclear weapons.

56. Mr. LUNDBY (Norway) said that the Agency must be able to conclude its investigation into the scope and nature of Iran's past and present nuclear activity. It had a key role to play and must be given the opportunity to fulfil its mandate as had been stated by the President of the Security Council on 29 March 2006 (document GOV/INF/2006/7). The Iranian authorities had a weighty responsibility to implement the demands made by the Board and the Security Council so as to restore international confidence in Iran.

57. All efforts must now be focused on finding a negotiated political solution. An important opportunity had emerged in the form of the package proposal by six countries — France, Germany and the United Kingdom, together with China, the Russian Federation and the United States of America — with the support of the EU. Norway welcomed the opportunity for broader dialogue and the fact that the United States was ready to engage in direct talks on Iran's nuclear programme. That opportunity must be seized and Iran should give the recent package proposal careful consideration and respond in a constructive way.

58. Mr. KIM Sung-Hwan (Republic of Korea) said his country was pleased to see that robust diplomatic efforts, including the new comprehensive package proposals by the P-5 plus Germany, were under way in order to find a peaceful and durable solution to the Iranian nuclear issue. Korea sincerely hoped that, based on those proposals, negotiations among the parties concerned would be revitalized and substantial progress made towards an early conclusion of the issue. He welcomed the recent expression by the United States of its intention to join the three European countries in their negotiations with Iran. If realized, those expanded negotiations would greatly enhance the prospects for a peaceful resolution of the issue. Korea also hoped that Iran would respond positively to those constructive appeals by the international community.

59. While good progress was being made in diplomatic negotiations, several technical issues remained outstanding. His delegation noted with concern the Director General's assessment that after more than three years of the Agency's verification efforts, gaps remained in its knowledge of the scope and content of Iran's nuclear programmes. Korea hoped that Iran would extend its full and prompt cooperation to the Agency so that verification activities to resolve outstanding safeguards issues could proceed to a satisfactory conclusion. It also hoped that Iran would take the necessary steps to implement all the requests of the Board and the Security Council, which were essential in order for the international community to have confidence in the peaceful nature of its nuclear programme.

60. Mr. SHARMA (India) commended the Director General on his two reports contained in documents GOV/2006/27 and GOV/2006/38 which provided an impartial and factual account of the Agency's verification work in Iran to date. In his introductory statement, the Director General had said

that the Agency had not made much progress in resolving outstanding verification issues. The recent promising diplomatic efforts towards broad-based negotiations with Iran, addressing not only the nuclear issue but also genuine Iranian concerns, represented a significant opportunity to reach an amicable conclusion. All sides should exercise restraint at the present decisive juncture. The process could be facilitated by implementation of the requests made in past Board resolutions. His delegation urged Iran to cooperate with the Agency to resolve all outstanding verification issues. India had consistently advocated resolving all such issues through dialogue and had underlined the Agency's role in that process.

61. Mr. MACKAY (Belarus) endorsed the statement adopted at the Ministerial Meeting of NAM, particularly regarding the need for diplomacy and dialogue and peaceful means in finding a long-term solution to the Iranian issue. Continued scrupulous and competent verification of the Iranian nuclear programme within the framework of the Agency was essential. Belarus welcomed the broad international efforts devoted to dialogue between Iran and other interested parties.

62. Mr. MOREJÓN-ALMEIDA (Ecuador) thanked the Agency for its intensive verification work aimed at ascertaining the nature and scope of Iran's nuclear programme. It would doubtless continue to play an important role in resolving the issue, as reflected in its objective and transparent reports.

63. Ecuador, which belonged to the first densely populated part of the world to become a NWFZ, had consistently pursued a principled foreign policy and was strongly committed to non-proliferation and to compliance with its obligations under safeguards agreements. In international forums his country had emphatically condemned all nuclear programmes with non-peaceful aims, regardless of the country conducting them.

64. Ecuador emphasized the right of all countries without discrimination to benefit from the peaceful use of nuclear energy provided that they fulfilled their obligations under the NPT, safeguards agreements and other relevant international instruments. It also reiterated its full support for the relevant Board resolutions.

65. His country firmly believed that dialogue and diplomacy were the most effective means of resolving all kinds of international conflicts. In the Board it had favoured continuing the negotiation process initiated by the Paris agreement in November 2004 and it had also supported the Russian Federation's initiative. New opportunities for negotiations had now been opened up by the P-5 together with Germany. His delegation welcomed the announcement by the United States Government that it was prepared to become directly involved in negotiations with Iran, a move that denoted flexibility and openness to a diplomatic solution. Given the constructive atmosphere that had been generated by the recent meeting of the Ministers for Foreign Affairs of the P-5 and Germany in Vienna, he was confident that the comprehensive approach adopted in the 'Vienna package' would lay the basis for a solution acceptable to both the people of Iran and the international community.

66. It was for Iran to take the next step, creating an environment conducive to a negotiated solution. Ecuador therefore urged Iran to consider the new offer and to build confidence by taking the steps requested by the Board of Governors in its resolutions. It also called on the countries involved in the negotiations to continue engaging in a patient, frank and open dialogue in order to reach a comprehensive settlement that met the aspirations of the Iranian people and reassured the international community that nuclear technology would be used exclusively for peaceful purposes in Iran.

67. Ms. FEROUKHI (Algeria), expressing support for the statement made on behalf of NAM, urged Iran to step up its cooperation with the Agency so that outstanding issues could be speedily resolved and suspicions about the peaceful nature of its programme dispelled.

68. Algeria, which had consistently supported the continuation of dialogue and negotiations, welcomed the new climate reflected in document GOV/INF/2006/11, according to which the Foreign Ministers of China, France, Germany, the Russian Federation, the United Kingdom and the United States had agreed on 1 June 2006 in Vienna on "a set of far-reaching proposals as a basis for discussion with Iran". The fact that the United States had announced its intention to join in the negotiations with Iran was particularly encouraging. As Iran was currently examining the proposals, it was to be hoped that negotiations among all the parties would be resumed and that the tensions and difficulties that had beset the issue of Iran's nuclear programme would be surmounted by means of dialogue. Every effort should be made to support the emerging preference for a negotiated solution that would restore confidence between Iran and its partners — hence the recent meeting between the Algerian authorities and the Secretary of Iran's Supreme National Security Council.

69. She called on all actors involved in the process to do their utmost to generate a momentum based on a balance of interests that would help in the long run to consolidate the multilateral verification system and the Agency's role as its custodian. Finally, she reaffirmed Algeria's commitment to the three pillars of the NPT: disarmament, non-proliferation and the inalienable right to the use of nuclear energy for peaceful purposes.

70. Mr. ARÉVALO YÉPES (Colombia) said that his country, as a Contracting Party to the Tlatelolco Treaty which had created the world's first NWFZ, as a State Party to the NPT and as a State with a safeguards agreement in force, had supported the Agency's verification of the nuclear programme of the Islamic Republic of Iran. The NPT clearly enshrined the right of every State to develop its own nuclear energy but also created specific obligations. Colombia had supported the Board's decisions regarding safeguards in Iran and endorsed the Agency's requests for increased cooperation and transparency on the part of Iran so that the international community could be reassured of the peaceful nature of its nuclear programme. Moreover, owing to persistent doubts, it had supported the Board's requests for confidence building measures that exceeded formal legal requirements, particularly regarding Iran's enrichment programme. At the same time, it had welcomed all initiatives aimed at reaching a negotiated consensus among all the parties involved.

71. With regard to the enrichment programme, no progress had been made, according to document GOV/2006/27, towards compliance with the Board's resolutions, particularly as regards contamination. The Agency needed to obtain a full picture of the scope and chronology of Iran's enrichment programme and required full implementation of the additional protocol in order to provide the required assurance concerning the absence of undeclared nuclear material.

72. By virtue of its historical commitment to non-proliferation, disarmament and multilateralism, Colombia fully backed the decisions of the Agency and its Board and trusted that the relevant resolutions, especially that adopted on 4 February 2006 contained in document GOV/2006/14, would be implemented by Iran. At the same time, Colombia encouraged all efforts to resolve outstanding issues diplomatically. It appreciated the efforts of the three European countries plus China, the Russian Federation and the United States of America to achieve a negotiated solution through the package proposal made to the Government of Iran. His delegation urged Iran to cooperate with the international community and the States concerned in that regard.

73. Mr. GASHUT (Libyan Arab Jamahiriya) said that his country had been following the dispute between the Islamic Republic of Iran and the West with great concern because of its dangerous implications for world peace and security, especially in the Middle East. His delegation urged those involved to avoid threats and intimidation, on the one hand, and attitudes of defiance, on the other. They should work instead towards resolving their differences through negotiations rather than confrontation, within the framework of the Agency.

74. While Iran had the right to use nuclear technology for peaceful purposes, he urged it to cooperate more closely with the Agency, showing greater transparency, and to answer all the questions raised in the reports to the Board without delay in order to restore an atmosphere of consensus and dialogue.

75. His delegation also wished to raise a number of questions. First, would the Security Council suspend its discussion of the Iranian question in order to leave the way open for fresh political negotiations involving the United States? Second, was Iran prepared to resume its voluntary undertaking to suspend enrichment and implement the additional protocol? And third, could the Iranian dossier be restored to its status prior to the extraordinary meeting of the Board of Governors in February 2006? If those three questions were answered in the affirmative, it would be possible to move forward and deal positively with the demands, rights and fears of all parties. In that context, he urged the Islamic Republic of Iran to respond favourably to the recent proposals by a number of Western States.

76. Focusing on Iran while ignoring Israel's nuclear programmes, its production of nuclear weapons and its failure to accede to the NPT and to place its nuclear facilities under Agency safeguards was an example of double standards that undermined the prospects for peace, security and stability in the Middle East.

77. The Libyan Arab Jamahiriya associated itself with the statement made by NAM.

78. Mr. CURIA (Argentina) expressed the hope that Iran would take the necessary steps to comply with all the relevant resolutions adopted by the Board of Governors in order to restore the international community's confidence in the peaceful nature of its nuclear programme. His delegation urged Iran to take advantage of the recent auspicious turning-point in the negotiations, in which six States were now directly involved. The latest developments held out the prospect of a resolution to the Iranian question and he urged the parties to engage in meaningful negotiations in order to reach a speedy agreement.

79. Mr. BEKOE (Ghana), noting that the Director General had urged Iran during his meetings with the Secretary of Iran's Supreme National Security Council in April 2006 to accelerate its cooperation with the Agency on outstanding verification issues and to implement the confidence building measures requested by the Board, expressed regret at the lack of significant progress in the meantime.

80. However, he welcomed the further diplomatic moves made by the EU and the likely involvement of the United States of America, China and the Russian Federation in fresh negotiations. Ghana hoped that both sides would respond optimistically and expeditiously to the diplomatic moves so that the Agency could rapidly resolve outstanding verification issues.

81. Mr. BERDENNIKOV (Russian Federation) took it that the Agency would continue to scrutinize all aspects of Iran's previous nuclear activities in addition to its implementation of the measures required under its safeguards agreement. It was essential to obtain exhaustive answers to the outstanding questions both to dispel the international community's persistent concerns and to enable Iran to carry out its planned peaceful nuclear activities. He trusted that Iran would cooperate fully with the Agency so that all issues could be resolved as soon as possible.

82. The Russian Federation had consistently maintained that the Iranian nuclear issue should be resolved by political and diplomatic means. An important stage had now been reached in such efforts. A group of countries had made an extremely serious proposal, the contents of which had been conveyed to Iran on 6 June 2006 by a delegation headed by the European Union High Representative for the Common Foreign and Security Policy and including the Russian Deputy Minister for Foreign Affairs. At the current sensitive juncture, the countries that had sponsored the initiative had agreed not to publish the details of their proposal so that the Iranian authorities could study them quietly. Russia

hoped that Iran would respond constructively and come to the negotiating table with a view to reaching a settlement that would both guarantee Iran's right to peaceful nuclear energy and ensure compliance with the NPT regime.

83. Mr. OTHMAN (Syrian Arab Republic) associated himself with the statement made by the NAM Ministers that had been read out by the representative of Malaysia.

84. The Syrian Arab Republic strongly supported the non-proliferation regime and the Agency's role in maintaining it. At the same time, it supported the right of access of all countries without discrimination to nuclear technology for peaceful uses. The Agency should not be controlled by a small number of countries that were bent on preventing others from exercising that right on the pretext of guaranteeing nuclear non-proliferation.

85. Iran had taken important steps in the past to reassure the international community of the peaceful aims of its nuclear programme, having suspended enrichment, cooperated to the full with the inspection teams and voluntarily complied with the additional protocol prior to ratification. Other States, however, had treated Iran's nuclear programme as though it represented a real threat to the international community as a whole, seeking to withdraw the dossier from the only body with real competence to deal with it, namely the Agency, and submit it to the Security Council, escalating the threats against and pressure on Iran whose voluntary measures were treated as binding obligations under international law.

86. According to the Agency's SIR for 2005, all nuclear material in Iran had been accounted for and had not been diverted to prohibited activities. The continued reference to undeclared materials and activities in reports on Iran was therefore incomprehensible.

87. The aspiration of all States in the Middle East region and also of the Agency was to establish a NWFZ, but they would never achieve that goal until every State in the region acceded to the NPT and opened up its nuclear installations to the Agency's teams of inspectors.

88. His delegation welcomed the current indirect talks on the issue and hoped they would become direct and unconditional, so that a negotiated peaceful solution could be reached within the Agency's mandate. Lastly, he urged the international community to respond to the Arab States' fears of the threat represented by the Israeli nuclear arsenal by taking positive steps in that regard.

89. Ms. WIJEWARDANE (Sri Lanka) noted the constructive steps that had been taken by the three European countries, China, the Russian Federation and the United States of America in recent weeks to address the Iranian nuclear issue in a comprehensive way. Thanks to the flexibility demonstrated by that course of action, escalation and confrontation would be replaced by dialogue and negotiations. She hoped that the package of proposals, which remained confidential, would accommodate the rights and requirements of all parties and would lead to a long-term agreement. Sri Lanka encouraged all parties to pursue a non-discriminatory and just solution through diplomatic channels.

90. As the sole competent and impartial body responsible for monitoring Member States' compliance with their safeguards obligations, the Agency — and its Board of Governors — had an important role to play in resolving outstanding verification issues and in securing the implementation of confidence building measures. The Director General's most recent reports called for active cooperation and full transparency on the part of Iran so that the exclusively peaceful nature of its nuclear programme could be ascertained. Sri Lanka considered that the Iran nuclear issue should be resolved within the framework of the Agency in combination with diplomatic negotiations that addressed all related issues, including the security, technology and economic needs of the Islamic Republic of Iran.

91. Ms. GOICOCHEA ESTENOZ (Cuba) said that the statement on the Islamic Republic of Iran's nuclear issue adopted during the recent NAM Ministerial Meeting, which had been read out by the representative of Malaysia, reflected the views of a significant number of Member States, and thus should be taken into account by the Board in its consideration of the agenda item.
92. The reports contained in documents GOV/2006/27 and GOV/2006/38 implied that the process of verification and clarification of outstanding issues had suffered a setback. In Cuba's opinion, that was due to the Board's decision to refer to the Security Council what was essentially a technical matter and should never have been taken out of the framework of the Agency.
93. Her delegation, like many others, was following with interest the recent events that offered new potential for negotiation, and welcomed the efforts being made in that regard.
94. Cuba would continue to oppose consideration of the Iranian nuclear issue by the Security Council; there was no evidence to justify that action based on Iran's statutory obligations with the Agency and under the NPT.
95. There could be no solution to the Iranian nuclear issue based on discriminatory conditions that called into question the inalienable right of any sovereign State to develop and research the peaceful uses of nuclear energy. The precondition that Iran should renounce the enrichment of uranium to be used for peaceful purposes was unacceptable, as was the imposition of sanctions on Iran for resuming activities that it had every right to implement and had suspended on a voluntary basis.
96. The only way to achieve progress and avoid a crisis with unpredictable consequences was through impartial consideration of the issue by the Board. The Agency must continue to fulfil its mandate.
97. In considering the Iranian nuclear issue, Cuba would continue to uphold four principles. Firstly, developing countries had a full and recognized right to produce nuclear energy for peaceful purposes under strict Agency safeguards; the introduction of new discriminatory elements and conditions regarding the peaceful use of nuclear energy and implementation of all nuclear fuel cycle activities through arbitrary and selective interpretation of the NPT was unacceptable. Secondly, all countries, without discrimination or condition, should have guaranteed access to nuclear fuel and the inalienable right to develop and conduct research on nuclear energy for peaceful purposes in conformity with Article IV of the NPT. Thirdly, the Agency was the only international body with the technical capacity and legal mandate to evaluate the nature of a country's nuclear programme; the Secretariat's reports had provided no conclusions of the non-peaceful nature of the Iranian nuclear programme. Fourthly, negotiation was the only acceptable path amicably to settle differences regarding the nuclear programmes of countries.
98. Cuba believed in multilateralism and in objective and equitable treatment in international relations. A just and non-discriminatory dialogue based on the principles enshrined in international law and in the Charter of the United Nations was the only way to resolve international conflicts, including the Iranian issue.
99. Ms. BRIDGE (New Zealand)* welcomed the steps being taken by the three EU countries and China, Russia and the United States to resume dialogue with Iran. Her delegation encouraged Iran to consider seriously and in a positive light the package of proposals with a view to establishing international confidence in its nuclear programme and meeting its own wider economic and security needs. She urged Iran to take the necessary confidence building steps to facilitate the negotiation process, including refraining from further enrichment related activity.
100. New Zealand had always maintained that continued dialogue and negotiation were the best way to achieve progress on the issue. Iran now had an historic opportunity to demonstrate its commitment

to non-proliferation and its credentials as an important international citizen, and should consider the package of proposals as the basis for a comprehensive and lasting solution.

101. Mr. SKOKNIC (Chile)* noted with concern the lack of progress reported in documents GOV/2006/27 and GOV/2006/38 and that further cooperation and transparency were required from Iran in order to resolve the delicate issue.

102. Further, Chile noted with interest the recent diplomatic efforts being made by France, Germany, the United Kingdom, the United States of America, China and the Russian Federation. By establishing confidence building measures to provide assurances to the international community about the exclusively peaceful nature of Iran's nuclear programme, to which it was entitled in accordance with Article IV of the NPT, those efforts paved the way for negotiation. Chile hoped that the process of reconciliation between the parties and examination of the package of proposals would soon yield positive results. It therefore urged Iran to cooperate with the Agency to resolve all outstanding issues and to consider the proposal it had recently received with flexibility and in a spirit of compromise.

103. Mr. SHAHBAZ (Pakistan)* said that his Government had taken all the necessary steps to dismantle the Pakistani end of the A.Q. Khan network and was continuing to cooperate with the Agency in sharing information regarding its investigations. The A.Q. Khan network represented a weakness in effective observance of the non-proliferation regime and it was in the collective interest to prevent such clandestine operations from functioning. His Government had shown strong and earnest determination to deal with the problem and looked to other Governments to work towards the elimination of clandestine networks in such a sensitive field.

104. Pakistan hoped that the ongoing developments to resolve the Iranian nuclear issue, in particular the offer made to Iran by the six nations would lead to an early resumption of negotiations to resolve the issue in accordance with the Statute and the rights and obligations of Iran.

105. Mr. HALPHEN PÉREZ (Panama)* joined previous speakers in calling upon Iran to return to the negotiating table and to clarify once and for all the outstanding issues regarding its nuclear programme. It should comply with its obligations to the Agency and under the NPT and give favourable consideration to the package of proposals put forward by the three EU countries plus China, the Russian Federation and the United States of America.

106. Mr. SOLTANIEH (Islamic Republic of Iran)* expressed his Government's appreciation for the continuous valuable support of NAM over the previous three years, including the recent statement of NAM Ministers reflecting the views of 116 members of the international community.

107. The nuclear programme and activities of the Islamic Republic of Iran were exclusively for peaceful purposes. Iran was committed to the NPT and had been implementing comprehensive safeguards in full cooperation with the Agency. As had already been stated on several occasions, Iran had always been prepared to remove any ambiguities about its nuclear activities.

108. Over 2000 man-days of inspection, the most robust inspections in the Agency's history, had been carried out in Iran. Also, Iran had implemented its additional protocol prior to ratification, which was unprecedented among Member States, and had granted over 20 complementary accesses, most of which at short notice. Over 30 inspections had been conducted and swipe samples had been taken at approximately 100 locations in military sites, which went beyond the requirements of the additional protocol. Those were major safeguards verification activities ensuring full transparency and that Iran's nuclear programme, materials and activities had been and remained exclusively for peaceful purposes.

109. The Director General had reported to the Board on several occasions that the Agency had not found any evidence of the diversion of nuclear material and activities to proscribed or military purposes, and that all declared nuclear materials had been accounted for. None of the samples taken or

the inspections conducted in alleged military sites had indicated any evidence of nuclear material or activities.

110. Iran's nuclear dossier had therefore not been referred to the Security Council for verification based reasons. Referral of the Iranian nuclear issue to the Security Council merely as a result of the resumption of voluntarily suspended R&D, which was — and remained — under the full surveillance of Agency safeguards, had no legal or technical grounds and had therefore been an historical mistake.

111. The carrot and stick policy had always been counterproductive. In the case of Iran, humiliation, the use of threats of referral to the Security Council and of punitive actions such as sanctions had had a serious impact on the mutual trust and confidence of the parties involved and, thus, the process of negotiations.

112. It was time to look to the future and choose the appropriate option. Full disengagement of the Security Council and the return of the nuclear dossier, in full, to the framework of the Agency was the only proper course of action facilitating resolution of the few outstanding issues in the Agency. The Islamic Republic of Iran was prepared to enter into negotiation without precondition and with a view to removing all ambiguities.

113. With regard to the package of proposals from the EU, the Secretary of the Supreme National Security Council of Iran had announced that it contained positive elements as well as ambiguities. It was under serious consideration. Once that process had been completed, comments on the package would be conveyed to the EU in due course. Active diplomacy and consultation with Member States, including members of NAM, the EU, Russia and China, were being continued — a clear indication of Iran's political will to find an amicable solution through dialogue and negotiation.

114. His Government was determined to continue its cooperation with the Agency in accordance with the Statute and its obligations under its NPT comprehensive safeguards agreement, respecting the balance between inalienable rights and obligations. By the same token, it hoped that the parties concerned would refrain from taking unnecessary and harsh positions, which would poison the relatively calm atmosphere and endanger new multilateral diplomacy. He also expressed his country's hope that the Board would remove the Iranian nuclear issue from its agenda as soon as possible. His Government was determined to keep the door to dialogue and negotiation open.

115. The CHAIRMAN, summing up the discussion, said that the Board had taken note of the Director General's reports on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran contained in documents GOV/2006/27 and GOV/2006/38. The Board had expressed its appreciation to the Director General and the Secretariat for their professional and impartial work on that issue.

116. Some members had regretted the slow pace of progress towards clarifying remaining outstanding questions relating to the scope and nature of Iran's nuclear programme and the diminished nature of Iran's cooperation with the Agency. They had urged Iran to provide full transparency and to implement fully the confidence building measures called for by the Board in order for the Agency to be able to reach a conclusion about the absence of undeclared nuclear material and activities, and in order for the international community to regain confidence in the exclusively peaceful nature of Iran's nuclear programme.

117. Some members had re-emphasized the distinction between voluntary confidence building measures and legally binding safeguards obligations. The basic and inalienable right of all Member States to develop nuclear energy for peaceful purposes in conformity with their respective legal obligations had been reiterated.

118. They had noted the assessment of the Director General that all declared nuclear material in Iran has been accounted for. They had recognized that the Agency's work on verifying the correctness and completeness of Iran's declarations was ongoing. They had also noted that the process of drawing a conclusion with regard to the absence of undeclared nuclear materials and activities was a time-consuming process.

119. It had been emphasized that the Agency was the sole competent authority for verification and that it should continue its work to resolve the Iranian nuclear issue.

120. The continued need for diplomatic negotiations and dialogue among all parties covering all relevant issues had been emphasized as the way to reach a peaceful solution of the Iranian nuclear issue. Appreciation had been expressed for recent efforts in that connection.

121. Some members had emphasized the importance of the establishment of a NWFZ in the region of the Middle East.

122. The Board had requested the Director General to continue keeping it informed of developments as appropriate.

123. The Chairman's summing-up was accepted.

124. The CHAIRMAN, noting that there had been a request to make public the reports of the Director General, contained in documents GOV/2006/27 and GOV/2006/38, asked whether that was agreeable to the Board.

125. It was so decided.

9. Designation of members to serve on the Board in 2006–2007 (GOV/2006/32)

126. The CHAIRMAN said that in accordance with Article VI of the Statute, he had prepared a list of members for designation to serve on the Board in 2006–2007. The members on the list were: Argentina, Australia, Canada, China, France, Germany, India, Japan, the Russian Federation, South Africa, Sweden, the United Kingdom of Great Britain and Northern Ireland and the United States of America.

127. He took it that the Board wished to designate the members on the list he had read out to serve on the Board in 2006–2007.

128. It was so decided.

129. The CHAIRMAN took it that the Board wished to communicate its decision to the General Conference as indicated in document GOV/2006/32.

130. It was so agreed.

10. Provisional agenda for the fiftieth (2006) regular session of the General Conference (GOV/2006/33 and Add.1)

131. The CHAIRMAN said that, under Rule 11 of the Rules of Procedure of the General Conference, the provisional agenda for the regular session of the General Conference was drawn up by the Director General in consultation with the Board. The provisional agenda for the forthcoming session of the General Conference was contained in documents GOV/2006/33 and Add.1, and although its adoption was ultimately a matter for the General Conference itself, it usually acted on the recommendation of the General Committee of the Conference. Some items as well as annotations might need to be updated before the agenda was finally issued. The provisional agenda should be circulated not later than 90 days in advance of the session, that was 20 June 2006.

132. He took it that the Board wished to take note of the draft provisional agenda for the fiftieth (2006) regular session of the General Conference contained in documents GOV/2006/33 and Add.1.

133. It was so decided.

11. Representation of other organizations at the fiftieth (2006) regular session of the General Conference (GOV/2006/34)

134. Mr. MURADOV (Azerbaijan)* recalled that a group of the Member States belonging to the Organization of the Islamic Conference (OIC) had recently been established in Vienna with a view to promoting cooperation between the OIC Member States and the international organizations based in Vienna. The Secretary-General of the OIC had sent a letter to the Director General requesting that the OIC be granted observer status with the Agency on a reciprocal basis. In view of the OIC's strong interest in disarmament, arms control and non-proliferation issues, the OIC group in Vienna would welcome approval by the Board of the OIC's request to be granted observer status and to be included in the list of intergovernmental organizations to be invited to the fiftieth (2006) regular session of the General Conference.

135. That decision would help to strengthen mutually beneficial relations between the OIC and the Agency, and further expand the cooperation of the OIC with the United Nations and its specialized agencies.

136. The CHAIRMAN took it that the Board wished to invite the intergovernmental organizations listed in paragraphs 2 and 3, and the non-governmental organizations listed in paragraphs 5 and 6 of document GOV/2006/34 to be represented in an observer capacity at the fiftieth (2006) regular session of the General Conference.

137. It was so decided.

The meeting rose at 1 p.m.