IAEA Board of Governors

Record of the 1170th Meeting GOV/OR.1170

Nuclear Verification (b) Report by the Director General on the implementation of safeguards in the Democratic People's Republic of Korea

Nuclear Verification (c) Report by the Director General on the implementation of safeguards agreement in the Islamic Republic of Iran



Board of Governors

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Record of the 1170th Meeting

Held at Headquarters, Vienna, on Wednesday, 13 September 2006, at 3.05 p.m.

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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

Mr. FASSIH Ms. WILKINSON DE VEXINA Mr. SHANNON Mr. MACKAY Mr. NIEUWENHUYS Ms. RICHTER RIBEIRO MOURA Ms. GERVAIS-VIDRICAIRE Mr. TANG Guoqiang Mr. ARÉVALO YÉPES Mr. CODORNIU PUJALS Mr. MOREJÓN-ALMEIDA Mr. RAMZY Mr. CARON Mr. SANDTNER Mr. BEKOE Ms. BALANOU Mr. SHARMA Mr. INKIRIWANG Mr. SUMI Mr. KIM Sung-Hwan Mr. GASHUT Mr. AAS Mr. BRAMÃO RAMOS Mr. BERDENNIKOV Mr. GAFOOR Ms. ŽIAKOVÁ Mr. KRIŽ Mr. MINTY Ms. WIJEWARDANE Mr. ISAKSSON Mr. OTHMAN Mr. WRIGHT Mr. MACGREGOR Mr. SCHULTE Ms. CALCINARI VAN DER VELDE Mr. ASSAIDI

Mr. ELBARADEI Mr. BURKART

Mr. SOKOLOV

Mr. ANING

Chairman (Japan)

Algeria Argentina Australia **Belarus** Belgium Brazil Canada China Colombia Cuba Ecuador Egypt France Germany Ghana Greece India Indonesia Japan Korea, Republic of Libyan Arab Jamahiriya Norway Portugal **Russian Federation** Singapore Slovakia Slovenia South Africa Sri Lanka Sweden Syrian Arab Republic United Kingdom of Great Britain and Northern Ireland United States of America Venezuela, Bolivarian Republic of Yemen **Director General** Deputy Director General, Department of Nuclear Sciences and Applications Deputy Director General, Department of Nuclear Energy

Secretary of the Board

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Representatives of the following Member States also attended the meeting:

Albania, Armenia, Austria, Bolivia, Chile, Costa Rica, Denmark, Dominican Republic, Finland, Hungary, Islamic Republic of Iran, Israel, Jordan, Kazakhstan, Latvia, Malaysia, Mexico, Morocco, Namibia, Netherlands, New Zealand, Nigeria, Pakistan, Peru, Philippines, Poland, Romania, Saudi Arabia, Spain, Switzerland, Thailand, Tunisia, Turkey, Ukraine, Uruguay.

Abbreviations used in this record:

ASEAN	Association of Southeast Asian Nations
CRP	coordinated research project
DPRK	Democratic People's Republic of Korea
EFTA	European Free Trade Association
EU	European Union
G8	Group of Eight
GIF	Generation IV International Forum
HEU	high-enriched uranium
INIS	International Nuclear Information System
INPRO	International Project on Innovative Nuclear Reactors and Fuel Cycles
LEU	low-enriched uranium
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
РАСТ	Programme of Action for Cancer Therapy
PATTEC	Pan African Tsetse and Trypanosomosis Eradication Campaign
R&D	research and development
SIT	sterile insect technique
Tlatelolco Treaty	Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean
WHO	World Health Organization
WMD	weapons of mass destruction

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

7. Strengthening the Agency's activities related to nuclear science, technology and applications (continued)

(GOV/2006/25/Rev.1, GOV/2006/47 and Corr.1 and 2)

1. <u>Ms. LACANLALE</u> (Philippines)* said that PACT had been identified by the General Conference as a priority activity with good reason as the incidence of cancer, especially in the developing world, could reach epidemic levels if action were not taken. The Agency had a critical role in preventing that situation through PACT, which visibly demonstrated the peaceful use of atomic energy for humanitarian purposes. Therefore, her country supported the recommended action in document GOV/2006/25/Rev.1 and was prepared voluntarily to contribute its cash surplus to finance PACT activities in 2006 and 2007.

2. <u>Mr. BELEVAN-MCBRIDE</u> (Peru)* said that the Director General's report contained in document GOV/2006/47 and Deputy Director General Burkart's introduction underlined the great importance of PACT. That programme stood to benefit all Member States, particularly the citizens of developing countries. Peru was grateful for Member States' generous voluntary contributions and was prepared to contribute its 2004 cash surplus to the programme. It was committed to providing the greatest possible support so that PACT could be included in the Regular Budget for the 2008–2009 biennium.

3. <u>Ms. MOHAMED KHAIRULLAH</u> (Malaysia)* noted that the Secretariat had made considerable efforts towards fulfilling resolution GC(49)/RES/12.C, which had requested that the Director General continue to advocate, build support, and allocate and mobilize resources for the implementation of PACT as one of the priorities of the Agency. Malaysia commended the PACT Programme Office for obtaining the support and collaboration of other international organizations to that end. Her delegation also appreciated the Secretariat's efforts in conducting integrated missions of PACT together with other organizations in order to assist countries in developing national cancer strategies and plans.

4. Malaysia thanked those Member States that had donated generously to PACT. Assured and sufficient financing was essential to sustain the programme over the coming biennium. Since funding for 2006 and 2007 had reached a critical stage, Malaysia regretted the lack of consensus reached on the draft resolution contained in document GOV/2006/25/Mod.1. Malaysia supported the recommended action contained in document GOV/2006/25/Rev.1 and was prepared to contribute its share of the 2004 Regular Budget cash surplus. Her delegation urged others to do likewise for that noble cause.

5. <u>Mr. BYLICA</u> (Poland)* said that country fully supported PACT. In view of the extrabudgetary nature of PACT financing and as nothing could be achieved without funds, Poland had decided to contribute its share of the 2004 Regular Budget cash surplus to PACT and encouraged other Member States to follow suit.

6. <u>Mr. SKOKNIC</u> (Chile)* welcomed the support that PACT had received from Member States and from the Secretariat as it was a programme that served a noble purpose in the sphere of human health. Chile urged greater flexibility in the use of the generous contributions that had been made by various Member States. It was regrettable that the Board had not achieved consensus on the financing proposal made by the Secretariat in May 2006, despite the fact that PACT was one of the Agency's priorities as established in various General Conference resolutions. Chile supported the recommended action in document GOV/2006/25/Rev.1 and was prepared to support the programme if Financial

Regulation 7.03(c) was suspended and each Member State was given the voluntary option to contribute its cash surplus.

7. <u>Ms. ESPINOZA PATIÑO</u> (Bolivia)* said that her country appreciated the work of the PACT Programme Office and welcomed Member States' voluntary contributions. Bolivia supported the recommended action in document GOV/2006/25/Rev.1. PACT was a noble programme which aimed to improve access to health services. It was regrettable that no consensus had yet been reached on the recommended action to facilitate the implementation of PACT.

8. <u>Mr. BILAL</u> (Pakistan)* said that PACT could make an important contribution to addressing cancer. In order for PACT to begin soon and continue effectively, concrete action was needed to provide the funding required. Thus, his delegation fully supported the recommended action to suspend Financial Regulation 7.03(c) as an exceptional measure. That would enable Member States voluntarily to contribute their 2004 Regular Budget cash surplus. Pakistan hoped that the generous contributions and pledges already made by Member States would encourage the Board to endorse that action.

9. <u>Mr. QUIÑONES</u> (Dominican Republic)* emphasized the importance of PACT as one of the Agency's most important development instruments and as an effective mechanism for addressing cervical cancer, which affected millions of women. The programme required additional funding to meet countries' growing demand for support in treating cancer. The Dominican Republic endorsed the recommended action in document GOV/2006/25/Rev.1 and welcomed the voluntary contributions already made to the programme.

10. <u>Mr. ELOUMNI</u> (Morocco)*, having welcomed PACT, said it met an urgent and growing need in the fight against cancer where nuclear technology had a role to play. For the Agency to fulfil its responsibilities in implementing the programme, Member States' support was needed to cover the shortfall in resources available for 2006 and 2007. Using the 2004 Regular Budget cash surplus for that purpose constituted a realistic solution. While his delegation understood the various positions and reservations expressed in that regard, it called for greater flexibility in order to suspend Financial Regulation 7.03(c) — exceptionally — so that the cash surplus could be contributed on a voluntary basis. Morocco, for its part, was prepared to contribute its share of the final cash surplus to PACT.

11. Finally, he expressed appreciation for the efforts of the PACT Programme Office and thanked the United States of America, Hungary, Spain and New Zealand for their voluntary contributions.

12. <u>Ms. LAOSE</u> (Nigeria)* said that her country, like most developing countries, lacked the basic equipment for treating cancer, which was affecting a growing number of people and impeded socioeconomic development. The PACT initiative was an example of the use of atomic energy for civilian and humanitarian purposes and therefore Nigeria supported the recommended action in document GOV/2006/25/Rev.1.

13. <u>Mr. MAZI</u> (Albania)* said that cooperation between the Agency and Member States was important in the area of health, particularly regarding cancer prevention and treatment. The Agency offered unique possibilities in radiation therapy and nuclear medicine through its national technical cooperation projects and PACT, which was a very important tool.

14. It was commendable that the Agency had collaborated with other international organizations such as WHO in implementing its integrated approach. An imPACT review team had visited Albania in August 2005 and a further visit was planned to help review the cancer management infrastructure. His country was now working towards a comprehensive national programme and strategy conforming to international standards. The PACT global approach had the potential to ensure that Albanian public health needs were met through a broad-based capacity building plan.

15. As an extrabudgetary programme, PACT required funding in order to operate optimally. A core team of experts and staff was needed to develop the programme and address the issue of fund raising. He hoped that the Secretariat could find ways to make savings to release funds for PACT, at least for a few years. It would not be in Member States' interests to leave unfunded such a high priority programme. He hoped that the Secretariat would pursue those important activities, and that Board members would find the flexibility required to ensure that the programme could continue.

16. <u>Mr. SOKOLOV</u> (Deputy Director General for Nuclear Energy) thanked members for their support and their encouraging comments on the Agency's continuing and expanded efforts. It was essential to know that the programme focused on priority areas for Member States in order to prepare the 2008–2009 cycle.

17. Turning to the issue of complementarity and coordination between INPRO and GIF raised by several Member States, he said that the Agency attended the GIF working group and policy group meetings, and that GIF members attended INPRO steering committee meetings. INPRO and GIF had jointly established special tasks and areas of cooperation which were currently under implementation. A statement by the G8 summit in July 2006 had recognized the complementarity of those two initiatives. Several Member States had noted that they were looking forward to publication of the full INPRO methodology user manual. Seven out of nine draft manuals had been released to INPRO members and the remaining two were still under consideration to ensure appropriate quality.

18. He thanked Member States for their increased interest in the subprogramme on nuclear knowledge management, which had become a priority area, and for their strong support for Agency activities in that area. Following the reallocation of internal resources, the Agency had made good progress, and he requested further support to meet the numerous requests for support for nuclear knowledge management activities in Member States. The Agency was grateful for the specific financial support received and the contributions in kind, such as Syria's translation of the INIS Thesaurus, for activities relating to innovation, infrastructure and nuclear knowledge management. The Agency intended to respond to the best of its ability in the areas of training, networking and nuclear knowledge management and preservation. In particular, it would consider how to contribute to the African regional conference to be held in Algiers before the end of 2006 on the contribution of nuclear energy to peace and sustainable development.

19. <u>Mr. BURKART</u> (Deputy Director General for Nuclear Sciences and Applications) said that he had listened with interest to members' statements relating to the General Conference resolutions on SIT for malaria, on support to the African Union's PATTEC, and on PACT. He thanked members for their support and constructive comments on those programmes, which the Agency would take into account for future work.

20. He noted the unanimous support for work under PACT. The Agency was currently developing a sound concept to ensure its success. The acquisition of private sector funding was proving slower and more complex than anticipated. The Secretariat was breaking new ground in that area and required different skills on board to succeed. Some members had referred to the need to strengthen interactions with potential donors of extrabudgetary funding, both traditional and non-traditional. The PACT Programme Office was already active in that priority area and he hoped to report on the results in due course. While noting that the funding issue remained unresolved, he thanked the United States of America for its substantial donation of \$200 000 and those Member States which had agreed in principle to contribute their share of the 2004 Regular Budget cash surplus to PACT.

21. The <u>CHAIRMAN</u>, summing up the discussion, said that several members had commended the Agency for its efforts in implementing nuclear applications in different domains contributing to achieving sustainable development and meeting needs, especially in developing countries. They had

encouraged the Secretariat to intensify its efforts in those areas which were directly linked to immediate human needs.

22. Several members had underlined the importance of further strengthening those activities with greater participation of Member States and also the importance of an increased level of technology transfer to developing countries and higher interaction among scientists of all Member States.

23. Several members had noted with appreciation that the Agency's activities, coordination and cooperation with Member States had resulted in the development of concepts and designs of innovative small and medium sized reactors.

24. Several members had welcomed the increasing membership and developments under INPRO. They looked forward to the publication of the user manual covering all areas of INPRO methodology. Support had been expressed for the continued cooperation between INPRO and the GIF.

25. Several members had expressed their support to the Agency's activities for preserving nuclear knowledge, including the publication of guidance documents and the active contribution of INIS to the preservation of information.

26. The Agency's support of the PATTEC Plan of Action had been commended and the Agency had been encouraged to continue its efforts to build the technical, strategic and financial partnerships for supporting the PATTEC project. Appreciation had been expressed for the progress made so far in the expansion of the SIT initiative to malaria, and the Agency had been requested to explore the feasibility of further expansion to address other areas of concern, such as the locust.

27. Several members had encouraged the increased participation of national and regional resource centres in the nuclear applications activities of the Agency and stronger programmes for training and education and supported strengthening the CRP mechanism and its greater synergy with the technical cooperation programme.

28. With regard to PACT, several members had welcomed the fact that the Agency and other international organizations and partners were joining their efforts on cancer prevention and control. They had also welcomed the Secretariat's efforts to develop an Agency-wide strategy for the implementation of PACT. Several members had expressed their support to the PACT Programme Office for its efforts to ensure an effective and efficient implementation of PACT.

29. Several members had acknowledged the Secretariat's efforts to address the shortfall in the funding of PACT. Support had been expressed for the Secretariat's proposal, contained in document GOV/2006/25/Rev.1, concerning the use of the final cash surplus from the 2004 Regular Budget and several members had expressed their intention to contribute their share of the cash surplus. They had regretted that the Board had not been able to reach consensus regarding the proposal and the hope had been expressed that a consensus could be reached on that vital humanitarian issue.

30. Some had expressed the view that the cash surplus was not in principle the appropriate means to finance the programme, though some had agreed that individual Member States could give explicit approval to voluntarily contributing their respective allocation. They had encouraged the Secretariat to finance it through further savings or through non-traditional sources or extrabudgetary contributions, until its planned inclusion in the Regular Budget. The Secretariat had been requested to provide a briefing to the Board on its efforts to reach non-traditional donors and to solicit extrabudgetary contributions.

31. Appreciation had been expressed for the financial and other contributions and pledges made by Member States and others to PACT. An additional contribution of \$200 000 had been announced by the United States of America. The Board had called on Member States to contribute to PACT so as to

enable the PACT Programme Office to implement its strategy and objectives. Member States had been called upon to provide the Secretariat with the required flexibility in the use of their voluntary contributions.

32. The Board would continue to work towards reaching a consensus on the matter of the funding of PACT as soon as possible.

33. He took it that the Board wished to take note of the report contained in document GOV/2006/47 and authorize the Director General to submit the report to the General Conference at its 50th regular session.

34. <u>It was so decided.</u>

8. Nuclear verification

(a) The conclusion of safeguards agreements and of additional protocols (GOV/2006/54)

35. The <u>CHAIRMAN</u> introduced document GOV/2006/54 on an additional protocol to be concluded with the Republic of Moldova, which was before the Board for its approval.

36. <u>Mr. MANZOOR HUSSAIN (</u> Malaysia)*, speaking on behalf of NAM, took note that the Libyan Arab Jamahiriya had ratified the additional protocol to its safeguards agreement in connection with the NPT on 11 August 2006.

37. <u>Mr. MINTY</u> (South Africa) said that the Agency was the only internationally recognized competent authority for verifying compliance with safeguards agreements and States' peaceful application of nuclear capabilities.

38. All Member States were committed to providing the Agency with the necessary support and assistance so that it could fulfil its safeguards and verification mandate. That commitment derived from membership of the Agency and from the legally-binding agreements that States had concluded. In that context, his delegation remained concerned that 36 non-nuclear-weapon States Party to the NPT had yet to take the first basic step required by the Treaty to put into force comprehensive safeguards agreements with the Agency. He called upon those States once again to fulfil their obligations under Article III of the NPT as soon as possible.

39. South Africa recognized the important role that the additional protocol could play as an additional measure to provide the necessary confidence and the desired assurances that Member States were applying their nuclear technology solely for peaceful purposes and that no declared or undeclared material was diverted to weapons programmes. Countries with access to advanced technologies bore a greater responsibility to provide those assurances and to build confidence in the peaceful nature of their programmes.

40. South Africa welcomed the decision by the Republic of Moldova to conclude an additional protocol and the announcement with regard to Libya's additional protocol and looked forward to their early implementation.

41. <u>Mr. SUMI</u> (Japan) expressed his appreciation to the Director General and the Secretariat for their strenuous efforts in ensuring the effectiveness of the safeguards system. Japan was in favour of approving the additional protocol for the Republic of Moldova.

42. Japan had been contributing to the universalization of the additional protocol through the hosting of 'friends of the additional protocol' meetings and it was committed to enhancing efforts to strengthen the safeguards system.

43. The <u>CHAIRMAN</u> assumed that the Board wished to take the action recommended in document GOV/2006/54 and authorize the Director General to conclude with the Government of the Republic of Moldova, and subsequently implement, the additional protocol which was the subject of that document.

44. <u>It was so decided</u>.

(b) Report by the Director General on the implementation of safeguards in the Democratic People's Republic of Korea

45. The <u>CHAIRMAN</u> said that since the Director General's last report on the matter at the June session of the Board, he had provided information regarding the status of the Agency's safeguards activities in the DPRK in his introductory statement and in document GC(50)/15.

46. <u>Mr. MANZOOR HUSSAIN</u> (Malaysia)*, speaking on behalf of NAM, emphasized that the denuclearization of the Korean Peninsula was essential to maintaining peace and stability in the Asia-Pacific region and that dialogue among all parties was important for the peaceful resolution of the nuclear issue.

47. NAM reaffirmed its support for the principles of the joint statement on the denuclearization of the Korean Peninsula reached on 19 September 2005 at the six-party talks in Beijing and stressed the importance of its observance and implementation. NAM called upon all the parties concerned to resume the six-party talks as a means to move forward in achieving a peaceful resolution of the issue.

48. <u>Ms. KAUPPI</u> (Finland)*, 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, and Serbia, the EFTA countries Iceland, Liechtenstein and Norway, members of the European Economic Area, and Ukraine and the Republic of Moldova aligned themselves with her statement.

49. The EU remained seriously concerned by the fact that since December 2002, the DPRK's nuclear activities had been outside Agency verification and that the Agency had been unable to draw any conclusions with respect to them.

50. The EU continued to urge the DPRK to comply with all its international commitments fully, unconditionally and without delay, in particular with its comprehensive safeguards agreement under the NPT. Furthermore, it strongly urged the DPRK to abandon and completely dismantle any nuclear weapons related programme in a prompt, transparent, verifiable and irreversible manner. The EU called upon the DPRK to refrain from any action that could aggravate the situation.

51. The EU fully supported Security Council resolution 1695 (2006), which strongly urged the DPRK to return immediately to the six-party talks without precondition and to implement the joint statement concluded in September 2005. The EU would continue actively to support efforts to resolve the DPRK nuclear issue in a peaceful manner.

52. <u>Mr. TANG Guoqiang</u> (China) said that his country had consistently advocated resolution of the Korean Peninsula nuclear issue through dialogue and negotiation. The denuclearization of the Peninsula and the maintenance of its peace and stability were a common wish of the international

community. With the concerted efforts of all the parties concerned, the six-party talks had achieved progress over the past year and a joint statement had been issued.

53. However, complex elements had emerged since the end of 2005. Financial problems involving the DPRK and its missile tests had led to an impasse in the six-party talks. That illustrated the prolonged state of confrontation and isolation and the serious lack of trust between the States concerned. It also showed that resolution of the problems required patience, wisdom, the continuation of dialogue and consultations, and continuous efforts to overcome difficulties and divergences with a view to increasing confidence and dispelling misgivings.

54. China was firmly of the view, and had made strenuous efforts, to preserve the framework and outcomes of the six-party talks. Despite the current difficulties in their resumption, they had been widely recognized by the international community as an effective mechanism for resolution of the DPRK nuclear issue and an important platform for dialogue and consultations among all the parties concerned. They were still the most effective mechanism for resolution of the problem.

55. The Korean Peninsula nuclear issue remained sensitive and complex, and China hoped that all the parties concerned would maintain equanimity, restraint and flexibility, avoid further complicating the situation, and work towards an early resumption of the six-party talks. At the same time, China hoped that the Agency would continue to play its constructive role of creating an environment conducive to an early resumption of the talks.

56. <u>Mr. SCHULTE</u> (United States of America) said that, since the Board had last met, the DPRK had declined to return to the six-party talks, despite the stated willingness of his country and the other parties to return to the table without preconditions. In July, the DPRK had refused the invitation of the United States of America and other six-party partners to participate in a meeting of foreign ministers in Kuala Lumpur. The result had been a meeting between Secretary Rice and the foreign ministers of the other six-party countries, joined by their counterparts from Australia, Canada, Indonesia, Malaysia and New Zealand, but without DPRK representation, to discuss the security of north-east Asia, including the DPRK's nuclear and missile programmes.

57. Despite the strong urging of the international community for the DPRK to maintain its selfimposed missile launch moratorium, on 5 July 2006, it had launched a barrage of ballistic missiles, including a failed intercontinental ballistic missile. The Security Council had taken swift action to adopt unanimously on 15 July a strong resolution (1695) condemning the multiple launches by the DPRK of ballistic missiles, demanding that the DPRK suspend all activity related to its ballistic missile programme and re-establish its pre-existing commitments to a moratorium on missile launching, and requiring all Member States, in accordance with their national legal authorities and legislation and consistent with international law, to exercise vigilance and prevent missile-related items, materials, goods and technology being transferred to the DPRK's missile or WMD programmes, to prevent the procurement of such items from the DPRK, and to prevent the transfer of any financial resources in relation to the DPRK's missile or WMD programmes.

58. His delegation called on all nations to implement fully their respective obligations under Security Council resolution 1695 (2006). For the DPRK, the resolution offered a clear choice of two paths: one offered a peaceful and diplomatic solution that would benefit all parties, as envisaged in the joint statement of principles adopted unanimously on 19 September 2005 at the conclusion of the fourth round of the six-party talks; the other would bring the DPRK under increasing international pressure and further economic and political isolation from the international community.

59. The joint statement provided all the elements of a comprehensive resolution of the North Korean nuclear issue. All parties would benefit from its implementation. From the DPRK, it would require carrying out its commitment to abandon all nuclear weapons and existing nuclear programmes

and returning, at an early date, to the NPT and Agency safeguards. In the context of the DPRK's denuclearization, the other parties had committed to joint efforts for lasting peace and security and the provision of economic cooperation in energy, trade and investment. The United States and the DPRK would take steps towards the normalization of relations consistent with bilateral policies. Implementation of the joint statement would provide a new and better future for the people of the DPRK and new security and opportunity for the east Asia region and beyond.

60. The DPRK's sustained unwillingness to return to the talks and its continued pursuit of its nuclear programmes cast serious doubt on its intention to fulfil the commitment it had undertaken in the joint statement to eliminate those programmes. Its continued production of fissile material was inconsistent with the substance and purpose of the joint statement and of the six-party talks.

61. The international community continued to have serious concerns about the DPRK's nuclear programme. Resolution GC(48)/RES/15 had urged the DPRK to completely dismantle any nuclear weapons programme in a prompt, transparent, verifiable and irreversible manner, maintaining the essential verification role of the Agency. He noted that any transfer of nuclear material or nuclear weapons, further long-range or ballistic missile tests or testing of a nuclear weapon would undermine the basis for the negotiated settlement it was hoped could be achieved through the six-party talks.

62. As a separate matter, the DPRK would also need to address other issues if it was to receive the benefits of normalized relations and the economic assistance its people so desperately needed. It should abandon criminal activities, such as currency counterfeiting and smuggling, illicit financial transfers and narcotics trafficking and it should fully meet the requirements of Security Council resolution 1695 (2006). It should end all its weapons proliferation, including the proliferation of missile delivery systems and the material, components, equipment and technology to develop them. It should also end its chemical and biological weapons programmes.

63. His country envisaged a key role for the Agency in verifying any denuclearization agreement with the DPRK and in implementing Agency safeguards, including the additional protocol, when the DPRK returned to the NPT. The United States was prepared to work closely with the Agency to that end. Denuclearization of the Korean Peninsula continued to be a regional and global priority. The DPRK needed to realize that the pursuit of nuclear weapons had not made it more secure.

64. It was essential to move rapidly toward implementation of the joint statement, which contained the elements of a comprehensive resolution to the concerns of all parties. His country looked forward to working with all the parties, including the DPRK, to achieve the complete, verifiable and irreversible elimination of all the DPRK's nuclear weapons and nuclear programmes, and a new peaceful and prosperous future for all the countries in north-east Asia.

65. <u>Mr. SUMI</u> (Japan) said that the DPRK's nuclear programmes posed a direct threat to peace and stability in north-east Asia, where Japan was located. They also posed a serious challenge to the international nuclear non-proliferation regime. Despite the series of relevant General Conference resolutions, the DPRK had not been accepting comprehensive safeguards and had been refusing to cooperate with the Agency in their implementation.

66. The multiple launches by the DPRK of ballistic missiles on 5 July had further intensified Japan's concerns. That act, which was directly related to the security of Japan and Asia, was deeply deplorable from the viewpoint of the peace and security of the international community and the non-proliferation of WMD. It also undermined the efforts of the countries concerned to achieve an early resumption of the six-party talks. Therefore, Japan had sponsored a draft resolution to the Security Council immediately after the missile launches and had worked towards its adoption, in close coordination with the countries concerned. Japan welcomed Security Council resolution 1695, unanimously adopted on 15 July 2006, which had sent a resolute message from the international

community, condemning and expressing grave concern over the launch of ballistic missiles by the DPRK, given the potential of such systems to be used as a means to deliver nuclear, chemical or biological payloads. With regard to the nuclear issue, the Security Council had strongly urged the DPRK to return immediately to the six-party talks without precondition, to work towards the expeditious implementation of the 19 September 2005 joint statement, in particular to abandon all nuclear weapons and existing nuclear programmes, and to return at an early date to the NPT and Agency safeguards.

67. Japan deeply regretted that the DPRK had immediately rejected the resolution and it strongly urged the DPRK to implement the measures contained therein. Japan intended to make every effort towards steady implementation of the resolution in coordination with the international community. Japan also urged the DPRK to show restraint and refrain from any action that might aggravate tension.

68. It was essential to resume the six-party talks at the earliest possible date so that a concrete agreement could be reached on relevant issues, including details of verification measures and specific procedures for the prompt and verifiable dismantlement of all nuclear weapons and nuclear programmes by the DPRK. In that regard, Japan stressed the importance of the Agency's essential verification role.

69. <u>Ms. GERVAIS-VIDRICAIRE</u> (Canada) said that the DPRK's nuclear activities and its announcement of withdrawal from the NPT had set a dangerous precedent and remained a threat not only to the credibility of the nuclear non-proliferation regime but also to regional and international security. Since 1993, the Agency had been unable to implement fully its comprehensive NPT safeguards agreement concluded in 1992 with the DPRK. Since December 2002, the Agency had not been able to perform any verification activities whatsoever in the DPRK. Canada's already deep concern regarding the DPRK's nuclear activities had been compounded in February 2005 by Pyongyang's declaration that it possessed nuclear weapons — a statement which stood in contrast to other statements and commitments it had made in support of a Korean Peninsula free of nuclear weapons. That declaration called into question the purpose of its ballistic missile programme, which had been the basis of the deep concern expressed about the DPRK's recent ballistic missile launches in Security Council resolution 1695 (2006).

70. In September 2005, Canada had joined others in welcoming the joint statement agreed at the end of the fourth round of the six-party talks. While recognizing the importance of that joint statement and the six-party process as offering the most promising pathway towards the verifiable denuclearization of the Korean Peninsula, Canada expressed concern that the talks had stalled and that little progress had been made towards implementing the commitments contained in the document.

71. Canada called on all the parties, and especially the DPRK, to return immediately and without precondition to the negotiations with a view to the expeditious implementation of commitments. It looked forward, in particular, to the DPRK fulfilling its commitment to abandon its nuclear weapons and all existing nuclear programmes in a transparent and verifiable manner.

72. Canada also expected the DPRK to cooperate in the full and effective implementation of safeguards consistent with the NPT, especially in light of the Board's finding that the safeguards agreement remained binding and in force.

73. <u>Mr. MINTY</u> (South Africa) said that his delegation had noted with concern the test launch of ballistic missiles by the DPRK on 5 July 2006, particularly in view of the voluntary moratorium on missile launches to which the DPRK had committed. In that context, South Africa took note of Security Council resolution 1695 of 15 July 2006 and relevant international efforts, including the joint call at the ASEAN Post-Ministerial Conference held in July 2006 for an early resumption of the six-party talks and resolution of the North Korean issue in a peaceful manner through multiparty dialogue.

74. It was imperative that the parties return to the negotiating table as soon as possible in order to restore peace, stability and security in the region. The DPRK needed to take measures to build international and regional confidence in overall efforts towards a verifiable nuclear-free Korean Peninsula.

75. South Africa called upon the DPRK to refrain from any steps that might escalate the situation, to return to the NPT without delay, to eliminate all of its nuclear weapons and to place all its material and facilities under Agency safeguards.

76. <u>Ms. RICHTER RIBEIRO MOURA</u> (Brazil) recalled that her Government had expressed its concern about and condemnation of the missile tests carried out by the DPRK on 5 July 2006, which had increased tension in a region which was already unstable.

77. The Brazilian Government urged the DPRK to reconsider its position with respect to the NPT and expected the DPRK to rejoin the Treaty. It also called upon the DPRK to return to the six-party negotiations with a constructive spirit as it was an appropriate forum in which to reach understanding, in a balanced manner, of the security concerns of the participating States, including the DPRK.

78. She reiterated Brazil's position in favour of diplomatic initiatives aimed at achieving a peaceful and lasting resolution of the issues on the Korean Peninsula.

79. <u>Mr. KIM Sung-Hwan</u> (Republic of Korea) said that the international community remained concerned at the lack of progress in the implementation of safeguards in the DPRK since the previous Board meetings in June. On 19 September 2005, the six-party talks had agreed to a joint statement providing for the DPRK's abandonment of all its nuclear weapons and existing nuclear programmes along with its return to the NPT and Agency safeguards.

80. As his Government believed that the joint statement represented a significant achievement towards the verifiable denuclearization of the Korean Peninsula, it would continue to make efforts to achieve a peaceful and diplomatic resolution of the DPRK nuclear issue in close consultation with the other relevant parties. The Republic of Korea urged the DPRK to return immediately to the six-party talks with no precondition, as required by Security Council resolution 1695 (2006).

81. He trusted that the Secretariat would keep the Board informed of any further developments in the implementation of safeguards in the DPRK.

82. <u>Mr. SHANNON</u> (Australia) expressed serious concern about the DPRK's ongoing refusal to re-engage in the six-party talks.

83. Australia had welcomed the joint statement of principles agreed in September 2005 at the fourth round of the six-party talks in Beijing. Regrettably, the DPRK had shown no inclination to fulfil its joint statement commitments. Australia called on the DPRK to honour those commitments, most notably to abandon all nuclear weapons and existing nuclear programmes and to return at an early date to compliance with the NPT and with its Agency safeguards obligations.

84. The DPRK's nuclear activities posed a serious threat to regional and international security and to the integrity of the nuclear non-proliferation regime. Its provocative action in conducting a series of ballistic missile tests in July 2006 had served to increase concern about its nuclear programme and to raise doubts about its willingness to engage with the international community to resolve the nuclear issue. Australia had welcomed the adoption of Security Council resolution 1695 (2006). The united and strong resolve shown by the international community in condemning the missile tests had sent a clear message to the DPRK that it could not use brinkmanship to force its agenda.

85. The DPRK had, by its own actions, isolated itself from the international community and from the benefits of constructive international relationships. Only by making the strategic choice to give up nuclear weapons could it begin the process of repairing the harm it had done to its own interests and to those of its long-suffering people. He urged the DPRK to take that step.

86. <u>Mr. BERDENNIKOV</u> (Russian Federation) said that resolution of the nuclear issue on the Korean Peninsula remained one of the major items on the international agenda. The path towards achieving that goal was through negotiations, using all the political and diplomatic means available. It was most important to resume the six-party talks, which had already demonstrated their potential in seeking resolutions and compromises and which remained the best mechanism for solving the nuclear problem on the Korean Peninsula. The ultimate goal of the negotiation process was the denuclearization of the Korean Peninsula and the return of the DPRK to the nuclear non-proliferation regime with the full restoration of Agency verification activity. It was important that all the participants in the negotiations fulfilled their political commitments, including those made in the context of the joint statement of 19 September 2005, in a constructive spirit.

87. <u>Mr. GAFOOR</u> (Singapore) expressed deep regret at the DPRK's missile tests of 5 July 2006. They did not build confidence in the DPRK's commitment to regional peace and stability. He urged the DPRK to reinstate its 1999 moratorium on missile tests and return to the six-party talks without any preconditions as required by Security Council resolution 1695 (2006). Those talks provided an effective framework for the concerned parties to work towards a comprehensive solution and towards the common objective of a denuclearized Korean Peninsula.

88. It was unfortunate that the DPRK continued to remain outside the Agency's verification system. As a result, no assurances could be provided to the international community about its nuclear material and activities. Singapore urged the DPRK to return to the NPT, to resume cooperation with the Agency and accept full Agency safeguards and to dismantle any nuclear weapons programme in a prompt, transparent and verifiable manner.

89. <u>Mr. CODORNIU PUJALS</u> (Cuba) said the Board of Governors was not the appropriate forum to discuss the missile tests recently conducted by the DPRK as they were outside the Agency's mandate and had nothing to do with the item under consideration. Now that the issue had been raised, however, he affirmed Cuba's position that the tests, which had been carried out pursuant to its legitimate right to defence preparations, were not prohibited by any international norm. States were constantly carrying out tests for missiles, antimissile systems and all kinds of increasingly sophisticated and dangerous conventional weapons without anyone feeling the need to take the issue up.

90. The <u>CHAIRMAN</u>, summing up, said that several members had regarded the DPRK nuclear issue as a serious challenge to the international nuclear non-proliferation regime and had urged the DPRK to dismantle completely any nuclear weapons programme in a prompt, transparent, verifiable and irreversible manner, maintaining the essential verification role of the Agency.

91. Concern had been expressed that the DPRK had not permitted any Agency verification activities since December 2002, and thus the Agency was still not in a position to provide any assurances about nuclear material and activities in the DPRK.

92. Several members had shared the grave concern, expressed in Security Council resolution 1695 (2006), at the multiple launch of ballistic missiles by the DPRK on 5 July 2006 and had stressed the importance of implementing that resolution.

93. The Board had emphasized the importance of continued dialogue to achieve a peaceful and comprehensive resolution of the DPRK nuclear issue and had recalled the joint statement of the fourth

round of the six-party talks, in which, inter alia, the DPRK had expressed its commitment to abandoning all nuclear weapons and existing nuclear programmes and returning, at an early date, to the NPT and the Agency's safeguards. The Board had looked forward to the resumption of the six-party talks at the earliest possible date, as well as to the early implementation of the commitments contained in the joint statement.

94. Several members had stated that no actions that could complicate the situation should be undertaken.

95. The Board had expressed the view that a successfully negotiated settlement of the longstanding issue, maintaining the essential verification role of the Agency, would be a significant accomplishment for international peace and security.

- 96. The Board had requested the Director General to keep it informed of future developments.
- 97. He asked if the summing-up was acceptable.
- 98. <u>It was so decided.</u>
- (c) Report by the Director General on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran (GOV/2006/53)

99. The <u>CHAIRMAN</u> said that the Director General had reported on developments with regard to the implementation of the NPT safeguards agreement in Iran in his introductory statement. Security Council resolution 1696 of 31 July 2006 had requested, by 31 August, a report from the Director General to the Board and in parallel to the Security Council. That report was contained in document GOV/2006/53. It had been the subject of a technical briefing provided by the Secretariat to Member States the preceding week.

100. <u>Mr. MANZOOR HUSSAIN</u> (Malaysia)*, speaking on behalf of NAM, expressed appreciation to the Director General and the Secretariat for the report contained in document GOV/2006/53.

101. At the Ministerial Meeting of its Coordinating Bureau in May 2006, NAM had adopted a statement on the Iranian nuclear issue. In that statement, the Ministers had 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 and that, therefore, nothing should be interpreted in any way to inhibit or restrict the right of States to develop atomic energy for peaceful purposes. They had furthermore reaffirmed that States' choices and decisions in the field of the peaceful uses of nuclear technology and fuel cycle policies must be respected. The Ministers had recognized the Agency as the sole competent authority for verification of the respective safeguards obligations of Member States and had 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. The Ministers had 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 had stated their belief that such voluntary undertakings were not legal safeguards obligations.

102. In addition, the final document adopted by the same Meeting had stated that the Ministers had reaffirmed the Movement's principled positions on nuclear disarmament, which remained its highest priority, and on the related issue of nuclear non-proliferation in all its aspects and had stressed the importance that efforts aiming at non-proliferation should be parallel to simultaneous efforts aiming at nuclear disarmament. They had stressed their concern at the threat to humanity posed by the continued existence of nuclear weapons and their possible use or threat of their use. They had reiterated deep

concern over the slow pace of progress towards nuclear disarmament and the lack of progress by the nuclear-weapon States to accomplish the total elimination of their nuclear arsenals. They had underscored the need for the nuclear-weapon States to implement the unequivocal undertaking that they had provided in 2000 aimed at the total elimination of nuclear weapons and, in that regard, had emphasized the urgent need to commence negotiations without delay.

103. NAM was pleased to note that Iran had been providing the Agency with access to nuclear material and facilities and had provided the required reports. NAM took note that the Agency would continue its work with regard to the remaining outstanding issues related to Iran's nuclear activities. In that regard, NAM encouraged Iran to continue to cooperate actively and fully with the Agency to resolve outstanding issues in order to promote confidence and a peaceful resolution to the issue.

104. He recalled that the Director General's report contained in document GOV/2006/15 dated February 2006 stated that all the declared nuclear material in Iran had been accounted for and that the Agency had not seen any diversion of such material to prohibited activities. NAM reiterated that all safeguards and verification issues, including those concerning Iran, should be resolved within the framework of the Agency on technical and legal bases. All involved parties and international bodies should avoid any action that might exacerbate the situation.

105. NAM took note of the six-country package proposal that had been presented to Iran and welcomed the fact that Iran had responded on the agreed date. In that regard, NAM called upon the concerned parties to avoid any hasty decisions and to give serious consideration to all proposals, including Iran's response. In that way, common ground could be found through negotiation, without any precondition, with a view to achieving a peaceful and mutually acceptable solution. Diplomacy and dialogue must continue for a long-term solution to the Iranian nuclear issue to be found through peaceful means.

106. <u>Ms. KAUPPI</u> (Finland)*, 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 country Iceland, a member of the European Economic Area, as well as Ukraine and the Republic of Moldova aligned themselves with her statement.

107. The EU commended the Director General and the Secretariat for their continuing efforts to seek clarifications from Iran and to verify its nuclear programme.

108. In that context, it was important to bear in mind that the EU did not question Iran's right to use nuclear energy for peaceful purposes in conformity with its obligations under the NPT. The EU reaffirmed the rights of all NPT States Party, in compliance with their non-proliferation and safeguards obligations, to develop nuclear energy for peaceful purposes in accordance with Article IV of the NPT.

109. The EU, however, noted with serious concern that no progress had been made by Iran in facilitating the resolution of several important verification issues that still remained unanswered. Those related in particular to the origin of HEU and LEU particle contamination found at various locations in Iran, the extent and the nature of Iran's P-1 and P-2 centrifuge programmes, Iran's plutonium separation experiments and its activities involving a possible military dimension. Those concerns were not alleviated by the most recent information in the Director General's report that new environmental samples had indicated the presence of new HEU particles at yet another location.

110. The EU also noted with concern that Iran had not provided the Agency with full access to certain information and facilities, contrary to its safeguards obligations under the NPT. According to

the Director General's report, Iran continued to decline Agency access to certain operating records at the Natanz Pilot Fuel Enrichment Plant. She asked the Secretariat to clarify whether Iran's lack of cooperation constituted another safeguards breach, in addition to those that had been reported to the Board in 2003.

111. The EU took a serious view of the Director General's assessment that, after nearly four years of intense inspections, the Agency remained unable to make further progress in its efforts to verify the correctness and completeness of Iran's declarations with a view to confirming the peaceful nature of its nuclear programme. The EU fully endorsed the Director General's view that full transparency and openness on the part of Iran was indispensable and overdue and that, given Iran's past concealment efforts over many years, such transparency should extend beyond the formal requirements of the safeguards agreement and the additional protocol.

112. The EU fully supported Security Council resolution 1696 (2006), which inter alia made it mandatory for Iran to suspend all enrichment-related and reprocessing activities, including R&D. Suspension was no longer a voluntary confidence-building measure, but an international obligation. The EU regretted that instead of suspending its activities, Iran had started to feed UF_6 into the 164-machine cascade just days before the Director General had issued his report.

113. The EU recalled that, under Article 40 of Chapter VII of the United Nations Charter, the Security Council had expressed its determination to reinforce the authority of the Agency's process. The Security Council had called upon Iran to act in accordance with the provisions of its additional protocol and to implement without delay all transparency measures that the Agency might request in support of its ongoing investigations.

114. The EU deeply regretted that Iran had neither fulfilled the obligations established by the Security Council resolution, nor taken the steps required by the Board of Governors. Iran had not established full and sustained suspension of all enrichment-related activities, as required. It had not reconsidered its decision to construct a heavy water reactor at Arak. It had not acted in accordance with the provisions of its additional protocol and it had not implemented the requested transparency measures.

115. The EU reiterated its view that prompt and full Iranian compliance with the relevant international obligations and other requirements would facilitate negotiations for a diplomatic solution. Once again, the EU encouraged Iran to engage positively with regard to the proposals made by the six countries, with the support of the EU High Representative, for a long-term comprehensive arrangement. That would open the way to a new relationship and cooperation with Iran, including in the nuclear field, and to establishing the necessary confidence in the exclusively peaceful nature of Iran's nuclear programme. Suspending all enrichment-related and reprocessing activities was an essential part of such confidence building.

116. The EU recalled the intention of the Security Council expressed in resolution 1696 (2006) to adopt appropriate measures under Article 41 of Chapter VII of the United Nations Charter, if Iran had not complied with the resolution by 31 August, while noting that further decisions would be required should such additional measures be necessary. The EU urged Iran to seize the diplomatic opportunity by fully suspending all enrichment-related activities. That would allow the commencement of serious negotiations. The EU, on its part, had clearly stated its readiness for further dialogue with Iran.

117. The EU welcomed the recent meetings between the EU High Representative and the Iranian chief nuclear negotiator on 9 and 10 September 2006. Both sides had described the meetings as productive and had expressed their intention to meet again in the very near future. The EU fully supported such efforts and expected Iran to take the steps required by resolution 1696 (2006) in order to facilitate negotiations.

118. <u>Mr. MACGREGOR</u> (United Kingdom), speaking on behalf of his own country, France and Germany, said that on 1 June 2006 in Vienna, China, France, Germany, the Russian Federation, the United Kingdom and the United States of America, with the support of the EU High Representative, had agreed on a proposal with a view to reaching a long-term comprehensive agreement with Iran through negotiations. On 6 June 2006, the EU High Representative had handed the offer to the Iranian authorities in Tehran. The six countries had asked Iran to consider the offer and requested a response within a few weeks. Key to engaging in negotiations was the suspension of all enrichment-related and reprocessing activities. The process had received the support of many countries.

119. In the absence of any response from Iran, the Security Council had adopted resolution 1696 on 31 July 2006. The resolution had made suspension by Iran of enrichment-related and reprocessing activities mandatory, meaning that it was no longer a voluntary confidence-building measure, but an international obligation. In addition, the resolution had endorsed the proposal of the six countries and requested the Director General of the Agency to submit a report to the Board of Governors and the Security Council by 31 August 2006. In response to the Director General's call for transparency that went beyond the measures prescribed in the safeguards agreement and the additional protocol, the Security Council had expressed its determination to reinforce the Agency's authority and had called on Iran to implement all transparency measures that the Agency might request. Also, the Security Council had made clear its intention of adopting measures under Article 41 of Chapter VII of the United Nations Charter if Iran failed to comply with resolution 1696 and the Agency's requirements.

120. On 22 August 2006, Iran had responded to the six countries' offer. Regrettably, it had not committed to suspending enrichment-related activities, nor to assisting the Agency to clarify outstanding issues. Nevertheless, the six countries had expressed their intention to pursue a dialogue with Iran to obtain possible clarification. The EU High Representative had offered to meet Mr. Larijani, the Secretary of Iran's Supreme National Security Council, before 31 August. Unfortunately, Mr. Larijani had refused several offers of meetings to clarify questions resulting from the Iranian response. On 31 August 2006, the Director General had submitted his report, which demonstrated that Iran had complied with none of the requests of the Security Council or the Board.

121. Thus far, Iran had chosen not to follow the path that the six countries had sought to preserve, namely a path towards a negotiated solution based on an ambitious, historical and absolutely fair proposal, including civil nuclear operation. It was still not too late to do so. An open hand continued to be extended to Iran. If it complied with the requirements of the Security Council and the Board of Governors, the Agency would ask to suspend action in the Security Council. In that context, he stressed that it was counterproductive for Iran to link cooperation with the Agency to ongoing discussions.

122. He expressed concern over Iran's continued failure to meet the Board's requests and the Security Council's requirements. Security Council resolution 1696 (2006) stipulated that appropriate measures under Article 41 of Chapter VII of the United Nations Charter would have to be taken in the event that Iran did not comply.

123. France, Germany and the United Kingdom welcomed recent meetings between the EU High Representative and the Iranian chief nuclear negotiator, which had helped to clarify some misunderstandings. A further meeting was expected that week. Also, they supported the ongoing efforts aimed at convincing Iran to comply with its international obligations, while paving the way for a diplomatic solution and long-term comprehensive arrangement. That would allow relations with Iran to develop on the basis of mutual respect and the establishment of international confidence in the exclusively peaceful nature of Iran's nuclear programme, as endorsed in Security Council resolution 1696 (2006).

124. <u>Mr. AAS</u> (Norway) said that his country attached tremendous importance to the Secretariat's and the Director General's tireless efforts to draw a conclusion as regards Iran's nuclear programme. Norway regretted that after three years of extensive work, the Agency had still not been able to draw a conclusion that there were no undeclared nuclear materials or activities in Iran. Accelerated cooperation on the part of the Iranian authorities was vital. Norway urged Iran to comply with Security Council resolution 1696 (2006) and suspend all enrichment-related and reprocessing activities, including R&D. At the same time, Norway recalled its firm belief that all States Party to the NPT had the right to use nuclear energy for peaceful purposes, in conformity with their obligations under the Treaty.

125. The only way to solve the current impasse was through a negotiated settlement. Norway therefore welcomed the recent meeting between Iran's chief nuclear negotiator and the EU High Representative. It hoped that the meeting would give an additional impetus to reaching a diplomatic solution.

126. <u>Mr. SCHULTE</u> (United States of America) said that the Director General's report, contained in document GOV/2006/53, conveyed a simple and direct message. Iran had taken none of the steps that the Board of Governors had deemed necessary in September 2005 and February 2006. The quality of Iran's cooperation with the Agency had seriously declined. Iran had failed to comply with Security Council resolution 1696 (2006), which made the suspension of enrichment-related activities no longer a voluntary confidence-building measure, but mandatory. Iran continued to press ahead to master enrichment in defiance of not only the Board, but also the Security Council.

127. The report described numerous instances of Iran's failure to cooperate with the Agency. Iran was failing to resolve the outstanding questions about its nuclear programme and was increasingly impeding even routine types of access under its safeguards agreement. There were at least a dozen examples of Iran's recent attempts to obstruct the work of inspectors, including Iran's refusal to allow the Agency access to operating records at the Pilot Fuel Enrichment Plant at Natanz, its continued rejection of remote monitoring and its initial refusal of the Agency's request to carry out a design information verification visit, Iran's failure to make new information available to the Agency on its P-1 and P-2 programmes or the Green Salt Project and its withholding of information necessary to assist the Agency in clarifying the implications of its plutonium separation experiments, Iran's failure to provide the Agency with a timetable to facilitate progress in resolving outstanding issues, and its refusal to provide the Agency with a copy of the 15-page uranium hemispheres document or to allow note-taking of its contents. Instead, Iranian authorities had confiscated and destroyed the inspectors' notes on the document which, according to the Deputy Director General for Safeguards, related to the fabrication of components for nuclear weapons.

128. The Director General's report further documented that activities related to uranium enrichment were continuing, including the installation of another 164-machine cascade that Iran said could soon be operational. To his country's dismay, Iran had loaded another batch of UF₆ into its 164-machine cascade just seven days before 31 August 2006, the date that the Security Council had set as the deadline for Iran's compliance with resolution 1696 (2006), mandating the suspension of all enrichment-related and reprocessing activities. Iran had also acknowledged that it was researching and developing P-2 centrifuges and had refused to describe the scope or status of that work or submit it to Agency monitoring. Such an approach continued a pattern of Iran's failure to admit and explain its procurement of centrifuge technology and of blueprints from the A.Q. Khan network.

129. In addition, the construction of the Arak reactor continued despite calls by the Board for Iran to reconsider it. New anomalies had arisen, for example, Iran had moved a 48X UF_6 cylinder in and out of one of the withdrawal stations at the Pilot Fuel Enrichment Plant at Natanz without prior notification to the Agency. That had led to a lapse in the Agency's ability to monitor and verify the

nuclear material in that process. Although the Director General had reported that the anomaly had been closed, the United States would welcome further information from the Secretariat on whether Iran could have diverted a small amount of UF_6 for use in undeclared tests, such as the P-2 centrifuge R&D that Iran refused to discuss with the Agency.

130. The United States was convinced that Iran was aggressively pursuing the technology, material and know-how to build nuclear weapons. By April 2006, Iran had already produced approximately 120 metric tons of UF_6 . It was undertaking a new conversion campaign involving 160 tons of uranium ore. The two campaigns would produce sufficient UF_6 , if successfully enriched, to produce enough HEU for approximately 40 nuclear weapons.

131. The Director General's report underscored that Iran had not addressed the long outstanding verification issues or provided the necessary transparency to remove uncertainties associated with some of its activities and that the Agency remained unable to make further progress in its efforts to verify the correctness and completeness of Iran's declarations with a view to confirming the peaceful nature of Iran's nuclear programme.

132. In its resolution 1696, the Security Council had expressed its determination to reinforce the authority of the Agency's process. The resolution had also underlined the necessity of the Agency continuing its work to clarify all outstanding issues relating to Iran's nuclear programme, and called upon Iran to act in accordance with the provisions of its additional protocol and implement, without delay, all transparency measures as the Agency might request in support of its ongoing investigations.

133. Rather than limiting inspector access, Iran should implement its additional protocol. The United States encouraged the Secretariat to use the full extent of its authorities to investigate Iran's nuclear programme and urged the Director General to report to the Board whether additional authorities were necessary.

134. Iran had to abandon its quest for nuclear weapons and fully meet its non-proliferation obligations. With that goal in mind, the United States of America had worked with the European countries, the Russian Federation, China, and other like-minded countries to present Iran's leaders with a clear choice. The negative choice was for Iran's leadership to maintain its course of defiance and continue violating the mandatory conditions laid down by the international community. The positive choice was for Iran's leaders to cooperate and take tangible steps to assure the international community that their nuclear programme was peaceful. Iran must address the confidence deficit that had been created by its failure to comply with the demands of the Agency and the Security Council to suspend all enrichment-related and reprocessing activities fully and verifiably.

135. The United States of America did not seek to deny Iran nuclear energy. However, Iran's pursuit of nuclear energy had to be in conformity with its commitments and international obligations. If Iran's goal was the development of peaceful nuclear energy, as it had claimed, it was difficult to understand why its leaders had not accepted the very generous offer made by the six countries to receive state-of-the-art power reactors and an assured supply of nuclear fuel.

136. Iran's refusal to suspend activities and its refusal to cooperate represented a choice of confrontation over negotiation. The international community had stressed to Iran's leaders repeatedly and clearly that such a course would bring no reward, but result in further isolation and sanctions. Operative paragraph 8 of Security Council resolution 1696 (2006) made abundantly clear the Security Council's intention to pursue measures under Article 41 of Chapter VII of the United Nations Charter if Iran failed to comply with the resolution.

137. Given Iran's history of deception, lack of transparency, provocative behaviour and disregard for its international obligations, further steps had to be taken to persuade Iran to abandon its nuclear

weapons ambitions. Iran's current course was of deep concern to everyone and the time had come for the Security Council to back international diplomacy with international sanctions. Sanctions would not signal an end to diplomacy. Rather, they would be an essential element of diplomacy to make it clear to the leaders in Iran that their continued defiance of the international community would not be tolerated. Iran's leaders must understand that their choices had consequences and that their best choice remained the course of cooperation. Iran could still make the right choice and avoid the consequences of further Security Council action. The diplomatic track was still open to Iran. It knew what needed to be done.

138. The United States remained committed to a diplomatic solution. But the world could not accept a nuclear-armed Iran. If Iran crossed the threshold of perfecting uranium enrichment, the task would become even more difficult. The Agency had engaged in a determined and sustained diplomatic effort that would continue at the Security Council through the imposition of international sanctions. The world was united in its resolve to stop Iran from obtaining a nuclear weapons capability.

139. <u>Mr. SUMI</u> (Japan) expressed appreciation to the Director General and his team in the Department of Safeguards for their outstanding efforts and their professionalism in trying to resolve the Iranian nuclear issue.

140. No country was denying Iran the right to use nuclear energy for peaceful purposes. The issue was whether Iran had restored sufficiently the confidence of the international community, which was the fundamental requirement in conducting such sensitive nuclear programmes as enrichment-related and reprocessing activities. Thus far, however, the international community's confidence had not been restored and outstanding issues remained unresolved. Japan therefore expressed deep concern that, in defiance of United Nations Security Council resolution 1696 (2006), Iran was continuing to conduct its enrichment-related activities, had suspended voluntary implementation of its additional protocol and was not providing sufficient cooperation with the Agency, as stated in the Director General's report.

141. Japan hoped that Iran would not delay further in suspending all enrichment-related activities, implementing its additional protocol as if it were in force, cooperating with the Agency and returning to the negotiating table. Japan continued to believe that the issue should be resolved through diplomatic efforts. In that regard, it supported and appreciated the diplomatic efforts being made by the three European countries and other States, including China, the Russian Federation and the United States of America, to achieve a diplomatic solution. Japan was also following carefully the development of consultations between the EU High Representative and the Iranian chief nuclear negotiator.

142. Japan was determined to play a substantial role in the matter and to continue close consultations with the parties concerned. Japan reiterated its strong expectation that Iran would respond appropriately to the international community with a view to reaching a peaceful and diplomatic solution.

143. <u>Mr. OTHMAN</u> (Syrian Arab Republic) urged all the parties concerned to show patience and transparency and to make a distinction between voluntary confidence-building measures and measures that were legally binding under international instruments and safeguards agreements signed with the Agency. They should bear in mind that all States were entitled under the NPT to use nuclear technology for peaceful purposes and they should refrain from applying double standards. Bullying and threats served no purpose. The way to build confidence and to resolve outstanding issues was to engage in dialogue and to recognize existing rights.

144. Iran's recent response to the six countries' offer had been encouraging and it appeared that there was scope for cooperation and for reaching a fair settlement that would satisfy all parties. The

evidence in the Director General's report to the Board and, in parallel, to the Security Council that Iran was cooperating on many fronts confirmed that dialogue was the best way to resolve outstanding issues and that the Agency was best equipped to deal with the crisis and to restore confidence through its verification work.

145. <u>Mr. MOREJÓN-ALMEIDA</u> (Ecuador) praised the Agency's unremitting efforts to clarify the scope and nature of Iran's nuclear programme and the objectivity, transparency and clarity of the Agency's reports, which assisted the Board in taking the right decisions. The Agency had an increasingly important role to play, in keeping with its responsibilities under the NPT and associated agreements and the resolutions of relevant international bodies.

146. Ecuador's position was based on the need for strict compliance with international treaties and with the principle of non-proliferation. It firmly condemned all nuclear programmes with non-peaceful aims, regardless of the State concerned, and actively promoted the ratification of relevant international instruments. At the same time, Ecuador fully supported the principle that all States were entitled to benefit without discrimination from peaceful uses of nuclear energy provided that they honoured their international legal obligations.

147. As Ecuador had always attached great importance to diplomatic dialogue in addressing all kinds of international conflicts, his delegation had consistently advocated a negotiated solution to the issue of Iran's nuclear programme along the lines of the process begun in Paris which had recently led to the package proposal by the permanent members of the Security Council and Germany. That package provided the key to a comprehensive long-term solution that would fulfil the expectations both of the international community and of the people of Iran. Although the difficult process of dialogue had recently faltered, the atmosphere was still conducive to negotiations that would enable reason to prevail.

148. Iran should cooperate more closely with the Agency and take steps that would enable the diplomatic process to reach a speedy and final solution. Notwithstanding multilateral efforts during the past three years, the Security Council had finally adopted resolution 1696 (2006) which imposed mandatory obligations on Iran. He therefore urged Iran, in the interests of its people and of peace and dialogue, to comply with paragraph 2 of that resolution by suspending all enrichment-related and reprocessing activities, including R&D, to cooperate immediately with the Agency by taking the steps requested by the Board in its resolutions, thereby dispelling all doubts about its nuclear programme.

149. He also called on the countries involved in the negotiations to remain patient and to continue to pursue a frank and open dialogue with a view to reaching a comprehensive solution that met the aspirations of the Iranian people and assured the international community that Iranian nuclear technology would be used exclusively for civilian purposes. In that context, he warmly welcomed the negotiators' reports of positive developments in recent days.

150. <u>Mr. ARÉVALO YÉPES</u> (Colombia) said that disarmament and non-proliferation were fundamental principles of Colombia's foreign policy. As a party to the Tlatelolco Treaty and the NPT, Colombia supported the process of verification by the Agency of Iran's nuclear programme and the Board's resolutions calling on Iran to adopt confidence-building measures, particularly the suspension of all enrichment activities. Security Council resolution 1696 (2006) built on the Board resolution adopted in February 2006 contained in document GOV/2006/14, endorsing the approach adopted by the Agency and the Board and demanding the full and sustained suspension of Iran's enrichment programme.

151. In document GOV/2006/53, the Director General stated that Iran had not addressed the long outstanding verification issues or provided the necessary transparency to remove uncertainties associated with some of its activities, and that the Agency remained unable to make further progress in

its efforts to verify the correctness and completeness of Iran's declaration with a view to confirming the peaceful nature of its programme. He shared the Director General's concerns and lamented the fact that the Agency's verification process had been prevented from following its regular course and remaining within the field of competence of the Board.

152. He shared the Board's determination to continue seeking a negotiated diplomatic solution that maintained international peace and security. Colombia reiterated its appeal to Iran to comply with the Board's requests and to give serious consideration to the proposals made by the three EU countries, China, the Russian Federation and the United States of America, with the support of the High Representative of the EU.

153. <u>Mr. BERDINNIKOV</u> (Russian Federation) said that the Director General's report contained in document GOV/2006/53 provided an objective and accurate account of Iran's compliance with its safeguards obligations. He regretted the lack of progress in clarifying outstanding issues. Iran could help to shed light on grey areas by taking the confidence-building measures requested by the Board, including renewed implementation of the additional protocol and steps to ensure the requisite transparency.

154. He noted from the report that the Agency was unable to make progress in its efforts to verify the correctness and completeness of Iran's declaration with a view to confirming the peaceful nature of its nuclear programme. In that connection, he welcomed the Agency's intention to continue investigating all outstanding issues relevant to Iran's nuclear activities and called on Iran to display openness and to cooperate effectively with the Agency on the basis of existing Board and Security Council resolutions. Furthermore, the Agency should continue to play a key role in resolving non-proliferation issues in the context of the Iranian nuclear programme.

155. It was important to ensure that any further action taken by the international community, inter alia in response to the Director General's report, sought to strengthen the non-proliferation regime, one component of which was the inalienable legal right of all States to the peaceful use of nuclear energy provided that they respected their international obligations. The Russian Federation was committed to seeking negotiated solutions that took into account the complexity of the issues involved and believed that it was still possible, through consultations, to create the conditions needed to launch negotiations on a long-term diplomatic solution to the Iranian nuclear issue.

156. <u>Mr. TANG Guoqiang</u> (China) said that the broad international community hoped to see the Iranian nuclear issue resolved peacefully through diplomatic negotiations. Joint efforts to that end should not be easily abandoned, since proper handling of the issue could contribute to the maintenance of peace and stability in the Middle East, defend the international nuclear non-proliferation regime and ensure that countries enjoyed the right to the peaceful use of nuclear energy provided that they fulfilled their NPT obligations. It would also assist in enhancing the Agency's authority.

157. There were currently both opportunities and challenges. On the one hand, Iran had responded to the recently package proposal, and diplomatic negotiations were continuing. On the other, aspects of Iran's nuclear programme still needed to be clarified and the relevant parties were concerned about Iran's compliance with the Board's resolution and Security Council resolution 1696 (2006). Dialogue and contacts must be maintained to promote mutual understanding and to clarify ambiguities. Diplomatic wisdom and creative thinking had the potential to provide solutions to key issues that were acceptable to all parties and to lay the basis for resumed negotiations on a long-term solution.

158. Iran should implement the relevant resolutions, continue cooperating fully with the Agency, clarify outstanding issues, adopt a constructive approach, demonstrate flexibility and establish conditions for the resumption of negotiations. The other relevant parties should remain calm and

restrained, continue to seek a peaceful resolution through diplomatic means, display flexibility and create a favourable atmosphere for the resumption of negotiations.

159. In China's view, the Agency should continue to play an important role in resolution of the Iranian nuclear issue. The Security Council should seek to enhance the Agency's authority and support efforts by the international community to promote negotiations. China would continue to work for regional peace and security, to defend the non-proliferation regime and to promote the peaceful resolution of the Iranian nuclear issue through diplomatic negotiations.

160. <u>Mr. SHANNON</u> (Australia) said that the credibility of Agency inspections in Iran was crucial to providing the assurance needed by the international community concerning the peaceful nature of Iran's nuclear activities. His country was therefore concerned that the Director General's report contained in document GOV/2006/53 indicated that Iran continued to provide Agency inspectors with erratic and irregular access, remained unwilling to resolve many outstanding issues, provided important data or facility access at the last moment and only when pressed, provided limited data on key issues and provided only reluctant cooperation. Furthermore, the Agency had uncovered another — as yet unexplained — incident of HEU contamination.

161. At the Pilot Fuel Enrichment Plant, Iran had refused the Agency access to operating records concerning product and tail assays which the Agency required to complete its auditing activities and only on 30 August 2006 had it provided the Agency with some information on product assays. Also, Iran continued to decline to discuss the implementation of remote monitoring.

162. At the Fuel Enrichment Plant, Iran had denied access to the Agency to carry out design information verification. That was unprecedented and constituted an issue of serious concern. Only between 26 and 30 August 2006 did Iran allow the Agency to carry out the design verification information at the Uranium Conversion Facility and the Iran Nuclear Research Reactor.

163. Despite Iran's letter to the Director General of 27 April 2006 stating that it was prepared to resolve the remaining outstanding issues reflected in document GOV/2006/15 and despite its undertaking to provide a timetable within the next three weeks, no such timetable had yet been received.

164. Paragraph 14 of the report referred to Iran's possession of a 15-page document describing the procedures for the reduction of UF_6 to uranium metal and the casting and machining of enriched and depleted uranium metal into hemispheres. That document, which had been secretly obtained from the clandestine proliferation network, related — in the words of the Deputy Director General for Safeguards in his technical briefing the previous week — without any doubt to components of nuclear weapons. Iran, which had insisted on retaining the document, had previously declined the Agency's request for a copy but had agreed to allow the Agency to review the document, take notes from it and keep it under seal in Iran. Now it had informed inspectors that the taking of notes would not be permitted and the notes which had been taken thus far would be destroyed. Such a troubling development could only add to suspicions about Iran's nuclear intentions. Iran should allow Agency inspectors to investigate the document properly and allow the Agency to have a copy so that it could understand fully the nature of the offer made to Iran by the clandestine proliferation network.

165. The report described a range of other instances of Iran's lack of transparency and unwillingness to cooperate with inspectors. However, the international community had hoped that such matters would be resolved through the adoption of Security Council resolution 1696 on 31 July 2006. The resolution called on Iran to take the steps required by the Board without delay and demanded that it suspend all enrichment-related and reprocessing activities, including R&D, to be verified by the Agency. Further, it expressed the conviction that such suspension as well as full, verified Iranian compliance with the requirements set out by the Board would contribute to a diplomatic, negotiated

solution that guaranteed Iran's nuclear programme was exclusively for peaceful purposes. In adopting the resolution, the Security Council had expressed its determination to reinforce the authority of the Agency process and had called upon Iran to act in accordance with the provisions of the additional protocol and to implement without delay all transparency measures as the Agency might request in support of its ongoing investigations.

166. Regrettably, as the Director General's report made clear, Iran had chosen to ignore the demands of the Security Council, just as it had ignored the Board's resolution contained in document GOV/2006/14. It had not suspended its enrichment-related activities and had failed not only to address the long-standing verification issues but also offer the transparency necessary to resolve uncertainties about aspects of its nuclear programme. The report concluded with the disturbing statement that the Agency remained unable to make further progress in its efforts to verify the correctness and completeness of Iran's declarations with a view to confirming the peaceful nature of Iran's nuclear programme.

167. By persisting with its enrichment programme in the face of a Security Council resolution passed under Article 40 of Chapter VII of the United Nations Charter, Iran had breached an obligation with the binding force of international law. It was important not to underestimate the gravity of that act.

168. Recent meetings had shown, however, that it was not too late to find a diplomatic solution. Australia urged Iran not to lose sight of the seriousness of the choices it had to make. The right choices would set Iran on the path to a future as a respected member of the international community, reaping the benefits of constructive international relationships.

169. He emphasized that Australia was not opposed to Iran's use of nuclear energy, provided it was in full compliance with its commitments. Iran needed to establish international confidence by taking the steps called for by Security Council resolution 1696 (2006) and by the Board, in particular by suspending its sensitive fuel cycle activities and cooperating fully with the Agency.

170. He proposed that the Director General's report be made publicly available in view of the wide interest in the matter.

171. <u>Mr. SHARMA</u> (India) said that the Director General's latest report, the recent technical briefing on the subject and the very pertinent remarks of the Director General in his introductory statement were valuable contributions for consideration of the matter by the Board. The June meetings of the Board had welcomed, inter alia, diplomatic efforts towards the commencement of broad negotiations among Iran and the six countries. While it was reassuring that those diplomatic efforts had made recent gains, there was still considerable anxiety about the delays and interruptions that had characterized their progress. India therefore shared the emphasis placed by the Director General on continued cooperation between Iran and the Agency to resolve outstanding issues. In particular, there was a need to avoid any setbacks. He appealed to all parties to exercise restraint in both their words and their actions and to focus on pursuing possibilities which might be within reach. India remained firmly convinced that all outstanding issues should be resolved through dialogue and diplomacy.

172. <u>Mr. CODORNIU PUJALS</u> (Cuba) recalled that, at the June meetings of the Board, his delegation had said that the verification process in Iran had been slowed down by the Board's decision to refer to the Security Council an issue which, because of its highly technical nature, should never have gone beyond the framework of the Agency. From the Director General's latest report, it was clear that the situation remained unchanged. That demonstrated yet again that pressure and blackmail were not the way to resolve such a sensitive issue.

173. The June Board had been characterized by a sense of hope that the proposal put forward by the permanent members of the Security Council and Germany might open up an opportunity for

negotiation. The proposal had been positively received by Iran, which had undertaken to study it in detail and respond. However, only a few days after the end of the June Board, the leaders of some countries had abruptly demanded, with the customary media fanfare, that Iran respond immediately. Iran had explained clearly that it was perfectly within its rights to consider the proposal with caution and, having undertaken to give a response on 22 August, had complied strictly with that date. Some parties, however, had not been prepared to wait. While, on the one hand, they had blocked a Security Council solution to the killing of thousands of innocent people in Lebanon, on the other, they had not been prepared to grant Iran a few weeks to respond to the proposal.

174. Regrettably, as a result of that hysteria, Security Council resolution 1696 (2006), which complicated the process aimed at achieving a solution through dialogue, had been adopted. Such action called into question the true intentions of the proposal presented by the six countries, and justifiably angered Iran and many other nations, including Cuba, which felt it was also being systematically victimized by aberrant policies and an unjust world order. It was unjust to require Iran to suspend peaceful nuclear activities carried out under Agency safeguards as a precondition for negotiations.

175. Security Council resolution 1696 further complicated the situation by sparking a new wave of speculation about the possibility of sanctions.

176. The use of force under Chapter VII of the United Nations Charter was an exceptional and last resort for protecting international peace and security. The abuse of and illegitimate recourse to the threat of the use of force could never be helpful in finding a just and lasting solution to any problem. The lesson of Iraq, where the justification for the use of force had been the presumed existence of WMD, could hardly be plainer.

177. He appealed to all members to be consistent and act with determination against such a dangerous, illegal and irrational doctrine. The United States of America and Europe should abandon their permissive attitude to Israel and demand that it destroy, under international control, the nuclear weapons in its possession. Israel appeared to be prepared to deploy such weapons if necessary, in collusion with its principal ally.

178. His delegation continued to believe that the issue could be resolved through negotiations and that all States should contribute to that process. To that end, however, it was essential that the Security Council refrain from taking any action and that the Iranian nuclear dossier be placed entirely under the auspices of the Agency. The six-country proposal and Iran's response were on the table and constituted a point of departure for negotiation, provided there was indeed a genuine desire to negotiate. Trying to impose preconditions for negotiation, such as the unilateral suspension by Iran of its nuclear fuel cycle activities, was pointless and unjust. Cuba hoped that sound judgement and rationality would prevail.

179. <u>Mr. MINTY</u> (South Africa), having thanked the Director General for his report contained in document GOV/2006/53, noted the cooperation extended by the Iranian authorities to the Secretariat, in particular in providing the Agency with access to nuclear material and facilities and in providing the required reports. However, the report showed that there had been very little progress in solving the outstanding safeguards issues. His delegation was particularly disappointed to note that no further progress had been made by the Agency in its efforts to verify the correctness and completeness of Iran's declarations, which would enable it to confirm the peaceful nature of Iran's nuclear programme.

180. Notwithstanding the involvement of other organs of the United Nations, the Agency remained the sole competent authority responsible for verifying and assuring Iran's compliance with its safeguards agreement. Preserving the integrity, authority and credibility of the Agency brought with it a shared responsibility to cooperate fully with the Agency in a proactive and prompt manner.

181. At the meetings of the Board in June 2006, South Africa had expressed the hope that Iran would carefully consider and in due time respond to the proposal made by the EU on behalf of the permanent members of the Security Council and Germany. His country welcomed Iran's response of 22 August and its decision to engage in serious talks on the proposal. The preliminary discussions which had been taking place over the past few days were encouraging and, for the first time since August 2005, there seemed to be a real possibility of a resumption of negotiations with a view to resolving differences. South Africa had always supported efforts towards finding a sustainable, long-term agreement that took full account of the rights, obligations, concerns, needs and legitimate aspirations of all concerned parties.

182. The world could not afford another major crisis in a region marked by high tension, conflict, instability and massive suffering on the part of its ordinary citizens. If all the parties continued to de-escalate the process, exercise maximum restraint and show the necessary flexibility, all differences could be resolved without resorting to confrontation and coercive measures. He expressed the hope that all States would act in a manner to build the necessary confidence to normalize what was a very complex matter.

183. <u>Mr. GAFOOR</u> (Singapore) said that his country was not encouraged by the Director General's report. While Iran had provided some access and reports, the Agency remained unable to provide assurances about the absence of undeclared nuclear material and activities. Iran had not addressed long outstanding verification issues or provided the necessary transparency to remove uncertainties associated with some of its activities. Iran had not suspended all enrichment-related and reprocessing activities, as required by previous Board resolutions and Security Council resolution 1696 (2006). Such suspension was essential to build international confidence in Iran's nuclear programme. Unfortunately, Iran had missed another opportunity to restore international confidence and resolve outstanding issues.

184. The fundamental issue now was the integrity of multilateral institutions in general and of the NPT in particular. The credibility of the Agency and of the resolutions adopted by the Board was at stake. Each Member State had rights and responsibilities to fulfil, and a country'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. Singapore therefore urged Iran to extend its full cooperation to the Agency and resolve all outstanding issues by fully implementing the requirements of previous Board resolutions and Security Council resolution 1696 (2006).

185. Singapore welcomed the recent diplomatic contacts and negotiations with Iran and remained hopeful that a negotiated solution might be found.

The meeting rose at 6.10 p.m.