IAEA Board of Governors

Record of the 1287th Meeting GOV/OR.1287

Nuclear verification: Implementation of the NPT safeguards and relevant provisions of United Nations Security Council resolutions in the Islamic Republic of Iran



Board of Governors

GOV/OR.1287 Issued: January 2011

Paragraphs

Restricted Distribution Original: English

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Record of the 1287th Meeting

Held at Headquarters, Vienna, on Thursday, 2 December 2010, at 3.05 p.m.

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Item of the agenda¹

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Nuclear verification:

 (b) Implementation of the NPT safeguards agreement and relevant 1–160 provisions of United Nations Security Council resolutions in the Islamic Republic of Iran

¹ GOV/2010/61.

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 PARVEZ

Mr CURIA Mr MCGUIRE Mr ALESKEROV Mr RECKER Mr FAGUNDES DO NASCIMENTO Mr MPAY Mr CAZA Mr LABBÉ VILLA Mr HU Xiaodi Ms SEQUENSOVÁ Ms CALLESEN Mr ROSENBERG GUERRERO Mr MONDOLONI Mr LÜDEKING Mr KHULLAR Mr GHISI Mr NAKANE Mr QUEISI Mr YATANI Mr SHIM Yoon-Joe Mr ENKHSAIKHAN Mr HAMER Mr ILLO Mr ANWAR Mr GARCÍA REVILLA Mr MARCELO CURTO Mr BERDENNIKOV Ms CHIN Mr MINTY Mr CHAOUCH Mr PAVLYSHYN Mr ALKAABI Mr SMITH Mr DAVIES

Mr AMANO

Mr UZCÁTEGUI DUQUE

Mr ANING

Chairman (Pakistan)

Argentina Australia Azerbaijan Belgium Brazil Cameroon Canada Chile China **Czech Republic** Denmark Ecuador France Germany India Italy Japan Jordan Kenya Korea, Republic of Mongolia Netherlands Niger Pakistan Peru Portugal **Russian Federation** Singapore South Africa Tunisia Ukraine United Arab Emirates United Kingdom of Great Britain and Northern Ireland United States of America Venezuela, Bolivarian Republic of

Director General Secretary of the Board

Representatives of the following Member States also attended the meeting:

Afghanistan, Albania, Algeria, Armenia, Austria, Bulgaria, Colombia, Croatia, Cuba, Cyprus, Dominican Republic, Egypt, Estonia, Finland, Greece, Guatemala, Holy See, Hungary, Indonesia, Islamic Republic of Iran, Iraq, Ireland, Israel, Kuwait, Lebanon, Libyan Arab Jamahiriya, Lithuania, Luxembourg, Malaysia, Malta, Mexico, Morocco, Mozambique, Namibia, New Zealand, Nicaragua, Nigeria, Norway, Oman, Panama, Philippines, Poland, Saudi Arabia, Serbia, Slovakia, Slovenia, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Thailand, The former Yugoslav Republic of Macedonia, Turkey, Uruguay, Vietnam, Yemen.

Abbreviations used in this record:

CPPNM	Convention on the Physical Protection of Nuclear Material
EFTA	European Free Trade Association
FEP	Fuel Enrichment Plant
FFEP	Fordow Fuel Enrichment Plant
FMP	Fuel Manufacturing Plant
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review Conference	Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
PFEP	Pilot Fuel Enrichment Plant
R&D	research and development
UCF	Uranium Conversion Facility

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

6. Nuclear verification:

(b) Implementation of the NPT safeguards agreement and relevant provisions of United Nations Security Council resolutions in the Islamic Republic of Iran (GOV/2010/62)

1. The <u>CHAIRMAN</u> noted that document GOV/2010/62 contained a report by the Director General, who had informed the Board of recent developments in his introductory statement. A technical briefing for Member States had been held by the Secretariat on 25 November 2010.

2. <u>Mr RECKER</u> (Belgium), speaking on behalf of the European Union, the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Iceland, the countries of the Stabilization and Association Process and potential candidates Albania, Bosnia and Herzegovina, and Montenegro, the EFTA countries Liechtenstein and Norway, members of the European Economic Area, as well as Ukraine and the Republic of Moldova, thanked the Secretariat for the technical briefing organized on 25 November and commended its continuing efforts to seek clarifications from Iran and to verify that country's nuclear programme.

3. The Director General's report sent an unambiguous message that Iran was failing to cooperate fully with the Agency. That, combined with its continued defiance of United Nations Security Council resolutions, painted a picture of a country refusing to comply with its international obligations. The European Union welcomed the adoption of Security Council resolution 1929 (2010) and, through a Council Decision of 26 July and Council Regulation of 25 October, it had adopted new restrictive measures for the implementation of that resolution and accompanying measures. Following a dual-track approach, the aim was to reach a negotiated solution to the Iranian nuclear issue.

4. Security Council resolution 1929 had reaffirmed that Iran must take the steps required by the Board and cooperate fully with the Agency, must suspend all enrichment-related, reprocessing and heavy water-related activities, not begin construction of any new uranium enrichment, reprocessing, or heavy water-related facilities and must discontinue any ongoing construction. It must also comply fully, without qualification or delay, with its Agency safeguards agreement, including application of the modified Code 3.1 of the Subsidiary Arrangements to that agreement on early provision of design information, must ratify the additional protocol it had signed in 2003 and must cooperate fully with the Agency on all outstanding questions. Regrettably, the Director General's report confirmed that Iran was not meeting the requirements of the relevant Board and Security Council resolutions, which were essential to building confidence in the exclusively peaceful nature of Iran's nuclear programme and to resolving outstanding questions.

5. The European Union was particularly concerned that Iran's continued lack of cooperation had prevented the Agency from clarifying the outstanding issues related to possible military dimensions to the country's nuclear programme. Since August 2008, Iran had declined to discuss the outstanding issues with the Agency and, based on an analysis of all the information available to it, the Agency remained concerned about the possible existence in Iran of past or current undisclosed nuclear-related activities involving military-related organizations, including activities related to the development of a nuclear payload for a missile. There were also indications that certain of those activities might have continued beyond 2004. The report stated that, although most of the actions indentified in the 2007 work plan agreed between Iran and the Agency (INFCIRC/711) had been completed, there remained issues that still needed to be addressed. The European Union noted also that, based on the

Agency's analysis of additional information which had come to its attention since August 2008, there were further concerns which needed to be clarified with Iran, and the Agency was therefore unable to consider the issue of the alleged studies referred to in the work plan as being closed.

6. The Agency reported that Iran had been provided with a list of outstanding issues, including the project management structure of the alleged studies related to nuclear explosives, nuclear-related safety arrangements for a number of the alleged projects, details of the manufacture of components for high explosives initiation systems, and experiments concerning the generation and detection of neutrons. As had been pointed out to Iran, it was important to resolve all of the issues which had given rise to concerns about possible military dimensions of the country's nuclear programme.

Further elements of the Director General's report giving cause for grave concern included: the 7. continued operation of the FEP at Natanz, which was estimated to have produced 3183 kg of low-enriched UF₆ so far; the continued production of UF₆ enriched up to 20% in 235 U at the PFEP at Natanz, with total production estimated at 33 kg, and the operation of two interconnected cascades; the increasing number of cascades being fed with UF₆; the ongoing construction work at the FFEP near Qom, Iran's provision of a revised design information questionnaire with respect to which the Agency had requested further clarification on the new purpose and configuration of the FFEP, and Iran's continued refusal to address the Agency's questions on the chronology of the decision-making regarding the construction of that plant; Iran's declaration that it had not suspended work on heavy water-related projects, the fact that it had not granted the Agency access to the Heavy Water Production Plant and the heavy water stored at the UCF to take samples, and the ongoing construction of the IR-40 heavy water reactor at Arak; Iran's continued refusal to provide the Agency with information regarding public announcements about possessing laser enrichment technology, plans to develop third-generation centrifuges and its intention to construct 10 new enrichment facilities, as well as its refusal to abide by the provisions of the modified Code 3.1 of the Subsidiary Arrangements to its safeguards agreement requiring the early provision of design information when taking a decision to construct a nuclear facility, though it had submitted a revised design information questionnaire for the FFEP; and Iran's repeated objection to the designation of experienced inspectors, which hampered the Agency's verification activities in the country and appeared to be aimed at eroding the Agency's ability to implement effective and efficient safeguards there.

8. Security Council resolution 1929 required Iran to apply the modified Code 3.1 of its Subsidiary Arrangements regarding design information. The European Union noted with concern the Director General's comment that Iran remained the only State with significant nuclear activities which had a comprehensive safeguards agreement in force but was not implementing the provisions of the modified Code 3.1, which was inconsistent with its obligations under the Subsidiary Arrangements. The Agency was waiting to receive from Iran, inter alia, updated design information for the IR-40 reactor, and further information pursuant to statements it had made concerning the planned construction of new uranium enrichment facilities and the design of a reactor similar to the Tehran research reactor. By not implementing the provisions of the modified Code 3.1, Iran was failing to implement fully its safeguards agreement. The European Union therefore supported the Agency's request to receive an unequivocal assurance from Iran that no undeclared nuclear material existed and no new nuclear facilities, including research laboratories or manufacturing facilities, were being built in the country.

9. The Agency had the full support of the European Union to continue its verification efforts in Iran and resolve all outstanding questions which gave rise to concerns about possible military dimensions to the country's nuclear programme. The European Union called upon Iran to fulfil its safeguards obligations and enable the Agency to make progress in verifying the correctness and completeness of its declarations. Furthermore, it called upon Iran to engage substantively and proactively with the Agency on all outstanding issues and to permit access to relevant sites,

equipment, documentation and persons, as deemed necessary by the Agency to resolve the outstanding questions.

10. The Bushehr nuclear power plant, which was subject to Agency safeguards, was beginning operation and had been loaded with fuel. The European Union did not question Iran's right to the peaceful uses of nuclear energy under the NPT, but with that right came responsibilities. The European Union stood by its long-standing commitment to work for a diplomatic solution to the Iranian nuclear issue. Its High Representative, supported by China, France, Germany, the Russian Federation, the United Kingdom and the United States of America, was aiming to launch an in-depth negotiation process with Iran on the nuclear issue and other issues of mutual concern. Its objective was a comprehensive long-term settlement which would restore international confidence in the exclusively peaceful nature of Iran's nuclear programme, while respecting that country's legitimate right to the peaceful uses of nuclear energy. Such a negotiated solution would pave the way for establishing a comprehensive relationship between the European Union and Iran involving cooperation in all fields and benefiting both sides. Iran needed to comply with its international obligations and engage in a meaningful process aimed at building confidence in the exclusively peaceful nature of its nuclear programme.

Ms GOICOCHEA ESTENOZ (Cuba)*, speaking on behalf of NAM, reiterated the Movement's 11. principled positions on the matter. All States had a basic and inalienable right to development, research, production and use of atomic energy for peaceful purposes, without any discrimination and in conformity with their respective legal obligations. Therefore, nothing should be interpreted in such a way as to inhibit or restrict the right of States to develop atomic energy for peaceful purposes. States' choices and decisions, including those of Iran, in the field of the peaceful uses of nuclear technology and fuel cycle policies must be respected. The Agency was the sole competent authority for the verification of the respective safeguards obligations of Member States and there should be no undue pressure on or interference in the Agency's activities, especially its verification process, which would jeopardize the efficiency and credibility of the organization. A fundamental distinction must be drawn between the legal obligations of States under their respective safeguards agreements and confidence-building measures undertaken voluntarily which did not constitute a legal safeguards obligation. The establishment of a nuclear-weapon-free zone in the Middle East would be a positive step towards attaining the objective of global nuclear disarmament and NAM supported the establishment of such a zone in accordance with relevant United Nations General Assembly and Security Council resolutions. NAM reaffirmed the inviolability of peaceful nuclear activities, and that any attack or threat of attack against peaceful nuclear facilities — whether operational or under construction — posed a serious danger to human beings and the environment and constituted a grave violation of international law, the principles and purposes of the Charter of the United Nations, and of Agency regulations. There was a need for a comprehensive multilaterally negotiated instrument prohibiting attacks or threat of attacks on nuclear facilities devoted to peaceful uses of nuclear energy. NAM strongly believed that all safeguards and verification issues, including those related to Iran, should be resolved within the framework of the Agency based on sound technical and legal grounds. The Agency should continue its work to resolve the Iranian nuclear issue within its mandate under its Statute. Lastly, NAM stressed that peaceful diplomacy and dialogue, and substantive negotiations among the parties concerned without preconditions, must remain the means whereby a comprehensive and lasting solution to the Iranian nuclear issue was found.

12. Turning to the Director General's report contained in document GOV/2010/62, she noted that the Agency continued to verify the non-diversion of declared nuclear material in Iran. NAM encouraged Iran to continue cooperating with the Agency to provide credible assurances regarding the absence of undeclared nuclear material and activities in accordance with international law.

13. NAM noted the explanation provided by the Secretariat in response to its concern about the possible implications of the continued departure from standard verification language in the summary of the Director General's report when stating that Iran had not provided the necessary cooperation to permit the Agency to confirm that all nuclear material in Iran was in peaceful activities. It sought further clarification from the Director General on that matter, given that the Safeguards Implementation Report for 2009 contained in document GOV/2010/25 stated that, while the Agency was able to conclude for Iran that all declared nuclear material remained in peaceful activities, verification of the correctness and completeness of Iran's declarations remained ongoing. NAM also requested the Secretariat to continue to refrain from including extensive technical details pertaining to sensitive proprietary information in the Director General's report.

14. NAM welcomed the continued cooperation between the Agency and Iran as described in the report. Nuclear material production activities, particularly those related to enrichment, remained under Agency containment and surveillance and, thus far, the FEP in Natanz and PFEP had been operating as declared. The Agency had confirmed that the FFEP corresponded with the design information provided by Iran and that the facility was at an advanced stage of construction, although no centrifuges had been introduced into it. The results of the environmental samples taken at the FFEP up to 16 February 2010 did not indicate the presence of enriched uranium. The Agency had continued to monitor the use and construction of hot cells at the relevant nuclear facilities in Iran and there had been no indication of ongoing reprocessing-related activities at those facilities. Iran had provided the Agency with access to the IR-40 heavy water reactor at Arak, allowing it to carry out a design information verification. The Agency had verified that construction of the facility was ongoing, with the civil construction of the buildings almost complete and some major equipment installed. The Agency had also carried out an inspection and a design information verification at the FMP and had confirmed that Iran had not yet started to install equipment for fuel fabrication for the Tehran research reactor. The Agency had confirmed that the core loading at the Bushehr nuclear power plant was complete and had verified all fuel assemblies in the reactor core. Containment and surveillance measures were in place to maintain continuity of knowledge until the core was closed and sealed.

15. NAM noted the standing requests by the Secretariat for further information regarding the design, and scheduling of the construction of new nuclear facilities, and it encouraged Iran to provide such information in accordance with its safeguards agreement.

16. NAM noted that, although most of the actions identified in the work plan agreed between Iran and the Agency in 2007 (INFCIRC/711) had been completed, there remained one issue to be addressed. In that regard, NAM fully supported the requests of the Director General to those Member States that had provided information related to the alleged studies to allow the Agency to provide all related documents to Iran. The Director General had previously reported that the Agency had limited means to authenticate independently the documentation that formed the basis of the alleged studies and that the constraints placed by some Member States on the availability of information to Iran were making it more difficult for the Agency to conduct detailed discussions with Iran on the matter.

17. Taking into account recent developments and the progress in implementing the work plan, NAM looked forward to safeguards implementation in Iran being conducted in a routine manner. Diplomacy and dialogue were the only means of finding a long-term solution to the Iranian nuclear issue and NAM encouraged all Member States to contribute positively to that end.

18. <u>Mr LÜDEKING</u> (Germany), speaking on behalf of his own country, France and the United Kingdom, said that the Director General's report painted a very disturbing picture of Iran's behaviour. It showed that Iran was continuing down the path of non-compliance and confrontation, defying the requirements and obligations imposed by the relevant resolutions of the Board and the United Nations Security Council. Iran was in breach of its legally binding obligations on several counts and its attitude

raised fundamental questions regarding the prerequisites for a functioning international system and effective multilateralism. The 2010 NPT Review Conference had adopted a final document to which all NPT members, including Iran, had committed. It contained a number of points that specifically highlighted the importance of complying with non-proliferation obligations and addressing all compliance matters in order to uphold the integrity of the NPT and the authority of the safeguards system. The final document also underscored the significance of all cases of non-compliance with safeguards obligations and called upon members to extend their cooperation to the Agency. The Director General's report provided no indication that Iran was honouring those commitments. That country's continued unwillingness to cooperate with the Agency in clarifying outstanding issues deepened the existing doubts as to the nature of its nuclear programme.

19. Iranian rhetoric at Board meetings had become all too familiar, but it could not and should not detract from the obvious facts. It was also far from encouraging that Iran, despite its nuclear ambitions, had so far failed to adhere to key instruments in the field of the use of nuclear energy for peaceful purposes, such as the CPPNM and the amendment thereto, the Vienna Convention on Civil Liability for Nuclear Damage, the Convention on Nuclear Safety or the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management. Iran was also the only State with significant nuclear activities which had a comprehensive safeguards agreement in force but was not implementing the provisions of the modified Code 3.1, in clear violation of its safeguards obligations. Nor had Iran ratified the additional protocol. Such behaviour did not inspire confidence in that country's intentions.

20. Effective multilateralism presupposed that countries did not only seek recognition of their rights, but were also prepared to meet their obligations. While Iran's right to civil nuclear energy had always been recognized, it was also expected to comply with its responsibilities. Iran's failure to do so had prompted the Security Council to adopt resolution 1929 (2010), which reflected the international community's deepening concerns over the matter and included the full text of the comprehensive offer that China, France, Germany, the Russian Federation, the United Kingdom and the United States had made to Iran in June 2008, reiterating their readiness to engage in dialogue. The goal of the resolution was to bring Iran back to the negotiating table. The European Union's High Representative for Foreign Affairs and Security Policy was expected to meet with the Secretary of Iran's Supreme National Security Council on 6–7 December 2010 in Geneva with a view to engaging Iran in a phased approach of confidence building which should lead to meaningful negotiations. The offer made in June 2008 remained valid as a basis for negotiations. The meeting should provide an opportunity for Iran to demonstrate its readiness to engage and to address the substance of the concerns over its nuclear programme in good faith, while also allowing other issues of mutual interest to be considered. Iran had no alternative but to address actively the lack of confidence in the exclusively peaceful nature of its nuclear programme. Persistent defiance and a categorical refusal to meet its obligations were not acceptable. It was in Iran's hands to overcome the current profoundly unsatisfactory situation.

21. <u>Mr DAVIES</u> (United States of America) expressed regret that the report contained in document GOV/2010/62 reaffirmed Iran's continued failure to cooperate with the Agency pursuant to its international non-proliferation obligations, including those freely entered into through its safeguards agreement. The report marked the 31st time that the Agency had reported on Iran's failure to comply with its safeguards agreement, and the 21st time since 2006 that the Director General had reported on Iran's failure to suspend its enrichment- and heavy water-related activities as required by the United Nations Security Council. The report highlighted Iran's continued lack of cooperation and failure to comply with its international nuclear obligations, and described the possible military dimensions of its nuclear programme and ongoing uranium enrichment and heavy water activities. It also raised numerous issues which represented serious breaches of Iran's safeguards obligations. When taken

together, those actions reflected a clear decision by Iran to contravene its obligations while continuing to claim entitlement to rights under the agreements it had so obviously chosen to violate.

22. The United States noted that Iran had not provided the necessary cooperation to permit the Agency to confirm that all nuclear material the country was in peaceful activities. It also noted that the Agency remained concerned about the possible existence in Iran of past or current undisclosed nuclear-related activities involving military-related organizations, including activities related to the development of a nuclear payload for a missile, and that the 2007 work plan was not complete because Iran had refused to provide a substantive reply regarding the alleged studies. The report stated that Iran had not suspended its enrichment- and heavy water-related activities, including the production of UF₆ enriched to up to 20% in ²³⁵U and the construction of the IR-40 reactor, as required by relevant Board and Security Council resolutions. On the contrary, Iran now planned to expand its research and development on advanced centrifuges, including at the new enrichment facility at Fordow. When Iran had belatedly unveiled the FFEP it had claimed the plant would function as a backup for the Natanz plant; but the fact that it had made no move in that direction in the intervening year, and that the plant would now be used for another purpose, raised doubts as to the accuracy of its original claim. The report also indicated that Iran had not provided the Agency with access to relevant design documents and to companies involved in the design and construction of the FFEP, and that Iran remained the only State with significant nuclear activities which had a comprehensive safeguards agreement in force that was not implementing the provisions of the modified Code 3.1. Finally, Iran continued to refuse the Agency's requests for it to take steps to implement fully its safeguards agreement and other obligations, including the additional protocol.

23. Iran's failure to comply with its obligations posed a fundamental challenge to the integrity of the international non-proliferation regime and the credibility of the Agency. The United States had made unprecedented attempts to engage the Iranians in order to resolve through diplomatic means the collective concerns over Iran's proliferation-sensitive nuclear activities. It hoped to have the opportunity in the coming days to engage in frank, constructive and meaningful talks with Iran and its partners. Its intention in entering into such talks was simply to arrive at an early negotiated resolution of the international concerns regarding Iran's nuclear programme. It had conveyed those concerns to Iran on multiple occasions and in collaboration with many members of the international community, and had offered to address them through diplomacy and negotiation. The problem would not go away unless Iran took meaningful and concrete steps to restore confidence in the exclusively peaceful nature of its nuclear programme. The Board had taken such a step in finding Iran to be in non-compliance with its safeguards agreement in 2005 and referring the matter to the Security Council in 2006. It was unfortunate that the international community had been forced to impose sanctions on Iran as a result of its persistent refusal to take seriously and respond directly to the concerns regarding its international obligations. Any further actions would be based on the choices made by Iran.

24. <u>Mr MCGUIRE</u> (Australia) said that his country appreciated the technical and factual focus of the Director General's reports. It viewed with increasing dismay and frustration Iran's continued lack of cooperation with the Agency. Iran continued to defy Board and United Nations Security Council resolutions by not halting its enrichment activities, and the country's ongoing heavy water-related activities continued to put it in breach of legally binding Security Council resolutions. It had once again failed to clarify the history and purpose of the FFEP, while asking that its statements concerning the chronology and purpose of that facility be considered factual. The Director General's report correctly stated that the questions the Agency had raised regarding the FFEP were within the terms of Iran's safeguards agreement.

25. The Director General had had to report once again that not all actions under the 2007 work plan had been completed. Australia, like others, remained deeply concerned by the possible military dimensions of Iran's nuclear activities, including those related to the development of a nuclear payload

for a missile. The Agency had characterized Iran's responses to its questions on those matters as focusing on form rather than substance, and had stated that without Iran's substantive and proactive engagement it would not be able to make progress in its verification of the correctness and completeness of Iran's declarations.

26. Once again the Director General had had to report that Iran had not provided the necessary cooperation to permit the Agency to confirm that all nuclear material in the country was for peaceful activities, and that Iran continued to disregard its obligations under the modified Code 3.1 of the Subsidiary Arrangements to its safeguards agreement. His country found it extraordinary that Iran was the only State with significant nuclear activities which had a comprehensive safeguards agreement in force and which was not implementing the provisions of the modified Code 3.1 and wondered why Iran was not willing to fulfil its obligations in that regard. Iran had not provided information to the Agency about its ten proposed new enrichment facilities, as required by its safeguards agreement.

27. Iran's repeated objection to the designation of inspectors with experience in Iran's nuclear fuel cycle and facilities hampered the inspection process and detracted from the Agency's ability to implement safeguards in the country. Australia called on Iran to withdraw immediately its objection to the designation of such inspectors and supported the Director General's continued efforts to persuade Iran to do so.

28. Iran must reassure the international community about its nuclear programme and the possible military dimensions thereof. The international community could not accept Iran's claims without verification and could not accept that Iran should assume international obligations and then not fulfil them. It must meet its obligations under resolutions of the Board of Governors and the Security Council, cooperate fully with the Agency, and implement its safeguards agreement and other obligations, including the additional protocol.

29. <u>Mr BERDENNIKOV</u> (Russian Federation) noted that the Agency continued to verify the non-diversion of declared nuclear material in Iran in accordance with its safeguards agreement. However, Iran was not complying with resolutions of the United Nations Security Council and the Agency's Board of Governors, including with respect to implementation of the additional protocol. Iran had not suspended uranium enrichment activities as called for in those resolutions, it was continuing with the construction of the heavy water reactor in Arak and was not implementing the provisions of the modified Code 3.1 concerning early provision of design information.

30. Russia called on Iran to cooperate more actively with the Agency and to comply fully with the decisions of the Security Council and the Agency's Board of Governors, in particular with regard to the suspension of enrichment activities and construction of the heavy water reactor in Arak.

31. Unless Iran implemented the additional protocol and the modified Code 3.1, the Agency would continue to be unable to draw clear conclusions regarding how far Iran's leaders were prepared to go in developing the country's nuclear programme and whether all activities in that regard were exclusively peaceful in nature. The current situation was not in the interests of any of the parties, in particular Iran itself, since it did not allow progress towards restoring confidence in the exclusively peaceful nature of Iran's nuclear programme.

32. His country also called on Iran to cooperate with the Agency in clarifying questions concerning the so-called alleged studies.

33. The physical start-up of the Bushehr nuclear power plant was under way and Russia highlighted the cooperation on the construction of that plant as a good example of putting into practice Iran's right to use nuclear energy for peaceful purposes.

34. Finally, he reaffirmed that his country saw no alternative to a political and diplomatic resolution of the situation regarding Iran's nuclear programme.

35. <u>Mr LABBÉ VILLA</u> (Chile) reaffirmed his country's commitment to defending the inalienable right of all States, including Iran, to develop, research, produce and use nuclear energy for peaceful purposes without discrimination and in keeping with their legal obligations. At the same time, rights entailed responsibilities, and there was a collective responsibility to ensure that the relevant international regimes were respected.

36. Some parts of the Director General's report continued to be of concern to the international community. While recognizing that Iran had cooperated with the Agency on safeguards, the report made it clear that that cooperation was still not sufficient to confirm that all nuclear material in the country was in peaceful activities. Chile called on Iran to increase its cooperation with the Agency in order to allay the lack of confidence in that regard.

37. Iran should implement the relevant resolutions of the Agency's Board of Governors and the United Nations Security Council, as well as the modified Code 3.1 concerning early provision of design information and the additional protocol. Security Council resolutions adopted under Chapter VII of the United Nations Charter were legally binding for Agency Member States. Chile was convinced that the additional protocol substantially increased the efficacy and efficiency of the Agency's safeguards system and could help dispel doubts concerning the peaceful nature of Iran's nuclear programme.

38. While recognizing the regional complexities surrounding the issue and the right of all States to defend their security interests in keeping with international law and the United Nations Charter, Chile called on Iran to increase its cooperation with the Agency in keeping with the rigour and transparency required in the safeguards field.

39. <u>Mr NAKANE</u> (Japan) said that his country was deeply concerned at the fact that, since the Director General's preceding report, Iran had continued its enrichment-related activities, had accumulated additional low-enriched uranium and uranium enriched up to 20%, and had stated that the purpose of the FFEP would include R&D as well as production of UF₆ enriched up to 5.0%. Iran's intentions regarding further enrichment activities were contrary to the relevant resolutions of the Agency's Board of Governors and the United Nations Security Council, and it had not provided sufficient information and cooperation to the Agency in relation to announcements concerning the construction of ten new uranium enrichment facilities.

40. Noting that the Agency had confirmed that the core loading at the Bushehr nuclear power plant had been completed and that all fuel assemblies in the core had been verified, Japan encouraged the Agency to continue to implement appropriate measures under Iran's safeguards agreement.

41. In a letter dated 29 October 2010, the Agency had provided Iran with a list of outstanding issues concerning possible military dimensions of its nuclear programme. It continued to be important to resolve all such issues of concern, and Japan hoped that all issues which had not yet been resolved under the 2007 work plan were clear to Iran and that Iran would respond substantively in order to dispel the concerns of the international community.

42. His country was concerned by the statement in the Director General's report that Iran had not provided the necessary cooperation to permit the Agency to confirm that all nuclear material in the country was in peaceful activities, and it called upon Iran to meet the requirements of the relevant resolutions of the Agency's Board of Governors and to comply fully with its obligations under the relevant resolutions of the Security Council in a prompt manner. It must suspend enrichment-related activities, including the production of UF₆ enriched up to 20%, suspend construction projects on new

facilities and heavy water- related projects, ratify and implement the additional protocol, and cooperate fully with the Agency. Iran needed to regain the confidence of the international community in order to enjoy fully its inalienable right to use nuclear energy for peaceful purposes, and his country urged Iran to take seriously the relevant resolutions and take a sensible decision with a view to the peaceful and diplomatic resolution of the issue surrounding its nuclear programme.

43. <u>Mr CAZA</u> (Canada) said his country noted with serious concern that Iran continued to take actions that were inconsistent with its safeguards obligations and had not provided the necessary cooperation to permit the Agency to confirm that all nuclear material in the country was in peaceful activities. The Agency had continued to verify the non-diversion of all declared nuclear material in the country, but Iran must also cooperate to address other key concerns. While Canada recognized Iran's right to a civilian nuclear programme, that that right came with international obligations which all States must fulfil. It was of great concern that Iran continued blithely to disregard resolutions of the United Nations Security Council and the Agency's Board of Governors.

44. Contrary to decisions of the Board of Governors and the Security Council, Iran had expanded its enrichment activities, increased the level of enrichment and announced plans for the development of new nuclear facilities. It had not provided the necessary access for the Agency to verify the suspension of its heavy water-related projects, nor had it implemented the additional protocol or agreed to Agency requests that it provide, as a transparency measure, access to additional nuclear-related locations.

45. Canada remained extremely concerned that issues related to possible military dimensions of Iran's nuclear programme were still unresolved. Given the very serious implications of that, it was essential for Iran to engage substantively and proactively to enable the Agency to verify the correctness and completeness of its declarations. Such cooperation was long overdue.

46. Iran's actions continued a disturbing pattern of non-compliance with its safeguards agreement. The Director General's report once again clearly stated that the modified Code 3.1 agreed to by Iran in 2003 remained in force, yet that country continued to refuse to provide the relevant design information. Iran was the only State with significant nuclear activities and a comprehensive safeguards agreement in force which was not implementing the provisions of the modified Code 3.1. Its previous failure to declare the Fordow facility made it difficult to have confidence that all of its facilities had been declared. In order to build such confidence, Iran should start by providing the Agency with full and transparent information on the new nuclear sites it had announced.

47. His country was also concerned by Iran's repeated objections to the designation of Agency inspectors with experience in its nuclear fuel cycle and facilities. While recognizing that Member States were permitted to object to the designation of specific Agency inspectors, his country was concerned that, as the Director General had stated, in Iran such actions hampered the inspection process and detracted from the Agency's capability to implement effective and efficient safeguards in the country. Canada therefore urged Iran to reconsider its decisions in that regard.

48. All Agency Member States party to the NPT, including Iran, had acknowledged at the 2010 NPT Review Conference the importance of complying with non-proliferation obligations and addressing all compliance matters. Canada called on Iran to live up to its commitments in that regard.

49. In response to Iran's ongoing failure to meet its international obligations, his country had fully supported the adoption of Security Council Resolution 1929 (2010) and had implemented that resolution, including sanctions designed to restrict Iran's nuclear programme. It also supported the adoption of additional measures that might be necessary in response to Iran's continued non-compliance.

50. Until credible assurances could be provided concerning the absence of undeclared nuclear material in Iran, safeguards activities in the country must not return to routine operations. The issue must remain on the Board's agenda and the Director General should continue to report to the Board as circumstances warranted.

51. Finally, given the ongoing and broad interest in the issue and the importance of the principles of transparency and compliance, and in accordance with past practice, Canada requested that the report contained in document GOV/2010/62 be made public.

52. With those comments, he took note of document GOV/2010/62.

53. <u>Mr HU Xiaodi</u> (China), noting that the Agency had continued to verify the non-diversion of declared nuclear material in Iran but was unable to confirm that all nuclear material in the country was in peaceful activities, said that his country encouraged the Agency to continue to play a constructive role in implementing safeguards in Iran and in working towards a solution to the Iranian nuclear issue.

54. As a State party to the NPT, Iran enjoyed the right to use nuclear energy for peaceful purposes but must fulfil relevant international obligations. It should implement fully the relevant resolutions of the Agency's Board of Governors and the United Nations Security Council, and strengthen its cooperation with the Agency with a view to enhancing the confidence of the international community in the peaceful nature of its nuclear programme.

55. The Iranian nuclear issue was complicated and sensitive and could only be resolved through dialogue and negotiation. The forthcoming resumption of the dialogue between Iran and China, France, Germany, the Russian Federation, the United Kingdom, the United States and the European Union represented a new opportunity to seek a solution through diplomacy. The parties concerned should intensify their diplomatic efforts, demonstrate great flexibility and strive to maintain fruitful dialogue. China encouraged the Vienna Group to consult with Iran as soon as possible on the issue of the fuel supply for the Tehran research reactor with a view to reaching an agreement at an early date.

56. His country had spared no effort in promoting conciliation, negotiation and a diplomatic process to resolve the issue. Inspired by the vision of maintaining the international nuclear non-proliferation regime and peace and security in the Middle East, China was prepared to work with all parties concerned to achieve a comprehensive and lasting solution to the Iranian nuclear issue.

57. <u>Mr GARCÍA REVILLA</u> (Peru) reaffirmed the right of all States to use nuclear energy for peaceful purposes and the obligation of all States to cooperate for the purposes of non-proliferation, nuclear disarmament and transfer of nuclear technology for development.

58. His country noted that the Agency continued to verify the non-diversion of declared nuclear material in Iran, though it had not received the necessary cooperation in order to confirm that all nuclear material in that country was for peaceful purposes.

59. While welcoming the completion of a number of items of the work plan agreed upon in 2007, Peru called for increased cooperation from Iran to clarify the outstanding issues in a substantive manner by providing access to facilities, equipment, persons and documents as requested by the Agency.

60. It was regrettable that Iran had not suspended its enrichment- and heavy water-related activities and had not implemented the modified Code 3.1 regarding early provision of design information, especially in view of the recent announcements concerning the construction of new facilities. Peru therefore once again called on Iran to implement fully its safeguards agreement and meet the obligations and requirements contained in resolutions of the United Nations Security Council and the Agency's Board of Governors, taking the necessary steps — for instance, in the context of the

forthcoming meetings in Geneva — to reach a satisfactory agreement with the Agency on all outstanding issues regarding its nuclear programme.

61. With those comments, he took note of the Director General's report contained in document GOV/2010/62.

62. <u>Mr ALKAABI</u> (United Arab Emirates) said that his country, having adopted in 2008 a policy on the development of a peaceful nuclear energy programme, viewed full transparency and compliance with non-proliferation standards as basic requirements for enjoying the benefits of the peaceful applications of nuclear energy. That entailed the fulfilment of all relevant international obligations and the commitment to implement a comprehensive safeguards agreement with the Agency, enhanced by an additional protocol, in order to build confidence and allow the Agency to verify fully non-diversion of nuclear material to non-peaceful purposes.

63. Nuclear energy could contribute significantly to meeting future energy needs and the United Arab Emirates affirmed the right of countries to develop peaceful nuclear energy programmes within the framework of the rights enshrined in the NPT and the obligations that came with them, including the commitment to non-proliferation and the application of Agency safeguards.

64. In connection with any nuclear energy programme, it was important to be transparent, cooperate completely and closely with the Agency, and respond to questions concerning the nature of that programme in order to arrive at agreement on any outstanding issues. Such commitments were of fundamental importance for the development and success of the programme, and for building confidence and international support.

65. His country supported the right of countries, including Iran, to develop and use nuclear energy for peaceful purposes, and it welcomed the cooperation between Iran and the Agency in implementing safeguards and the Director General's conclusion regarding the non-diversion of nuclear material in Iran. It urged continued cooperation with the Agency and stressed the importance of implementing all international commitments and taking positive steps to gain the confidence of the international community. It also welcomed and looked forward to positive results from the forthcoming meetings between Iran and China, France, Germany, the Russian Federation, the United Kingdom and the United States.

66. With those observations, he took note of the Director General's report contained in document GOV/2010/62.

67. <u>Mr FAGUNDES DO NASCIMENTO</u> (Brazil) said that his country welcomed the Agency's finding that the PFEP had been operating in conformity with the design information provided by Iran.

68. The Director General's report again called on Iran to clarify important matters in connection with the chronology and design of the FFEP. The provision of timely information on any relevant modification to a nuclear programme was useful, not only to enable the Agency to discharge fully its verification mandate but also to strengthen the confidence of Member States.

69. His country was also pleased to note that the Agency and Iran were trying to find ways to resolve the issue of designation of inspectors. In dealing with that issue, form should not be given precedence over substance, and the issue should be addressed strictly within the requisite limits. Although Member States were entitled to raise objections as regards the designation of Agency inspectors, exercising that prerogative on a routine basis could prove detrimental to one of the Agency's most valued assets — the expertise and training of its staff. A balance needed to be struck between the points raised by Iran and fulfilment of the Agency's mandate.

70. With regard to the possible military dimensions of Iran's nuclear programme, it was up to Iran to dissipate all lingering concerns about the peaceful nature of its nuclear activities. It was essential that Iran and the Agency continue working to find a solution to the impasse. Iran should be provided with all the evidence in order to be able to prepare its case. Unrestricted access to evidence was a fundamental principle of any legal system, and there was no conceivable reason why it should not apply at the Agency as well. Renewed collective efforts were key to reaching a solution which was satisfactory to all and which would clear the way for a sound, balanced agreement under the auspices of the Agency.

71. Stronger confidence-building measures and improved dialogue were needed for the international community to break the impasse over Iran's nuclear programme. That was the idea at the heart of the Tehran Joint Declaration signed in May by Brazil, Turkey and Iran. Its aim had not been to offer an all-encompassing solution, but rather to establish a pattern of cooperation between Iran and the international community. In that context, the high-level meeting that was scheduled to take place the coming week between Iran and the five permanent members of the Security Council plus Germany was to be welcomed as a positive step to foster improved dialogue among all stakeholders.

72. <u>Mr SHIM Yoon-Joe</u> (Republic of Korea) welcomed the Agency's continued efforts to carry out its verification mandate related to the implementation of safeguards in Iran. Although the organization had been able to continue verifying the non-diversion of all declared nuclear material in Iran, it was regrettable that there had not been any progress with respect to the unresolved issues surrounding Iran's nuclear activities.

73. It was of particular concern that Iran was continuing enrichment and enrichment-related activities in defiance of relevant Agency and United Nations Security Council resolutions, including Security Council resolution 1929 (2010). His country also remained concerned that Iran had not provided the Agency with the necessary design information and access in a timely manner in accordance with its safeguards agreement and Subsidiary Arrangements, including the modified Code 3.1. Under such circumstances, Iran's announced plans for the construction of additional nuclear facilities and the continuation of sensitive fuel cycle activities only intensified further the concerns of the international community over the purpose and status of Iran's nuclear programme.

74. It was essential that Iran implement an additional protocol to build confidence in the exclusively peaceful purpose of its nuclear programme, resolve outstanding questions and send a substantive signal demonstrating its willingness to address the international community's concerns. He urged Iran to engage proactively and urgently with the Agency to resolve the suspicions surrounding its nuclear programme and possible military dimensions thereof.

75. The Republic of Korea strongly believed that States involved in sensitive nuclear technologies and activities required a higher level of international confidence regarding their non-proliferation commitments. In that context, it was essential that Iran cooperate in good faith with the Agency and comply fully with the relevant Agency and the Security Council resolutions in order to restore international confidence in the exclusively peaceful nature of its nuclear programme. His country urged Iran to take all necessary steps and encouraged other stakeholders to strengthen diplomatic efforts to that end. Such efforts would not only contribute to resolving the Iranian nuclear issue but should also create a favourable atmosphere for the eventual establishment of a Middle East zone free of nuclear weapons and other weapons of mass destruction.

76. <u>Mr KHULLAR</u> (India), noting that the Agency had continued to verify the non-diversion of declared nuclear material in Iran but required Iran's cooperation to clarify outstanding issues, encouraged Iran to continue to cooperate with the Agency in a spirit of transparency and address the relevant outstanding issues of concern mentioned in the Director General's report.

77. India supported the right of all States to use nuclear energy for peaceful purposes in a manner consistent with the respective obligations they had undertaken. It also underscored the importance of full and effective implementation of all safeguards obligations undertaken by Member States of the Agency.

78. His country was firmly in support of keeping the door open for dialogue and avoiding confrontation. Cooperation and mutual trust among all parties was essential to achieving a peaceful resolution of the issue.

79. <u>Mr UZCÁTEGUI DUQUE</u> (Bolivarian Republic of Venezuela) said that his country was committed to the fundamental principles enshrined in the NPT and the Agency's Statute. The main objective of the Agency, as stated in Article II of the Statute, was to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity. Verification was an essential tool for achieving that objective and should be carried out in a professional and objective manner focusing on technical issues. Venezuela underscored the sovereign right of States to develop their nuclear industry for peaceful purposes, in accordance with the provisions of Articles I, II and IV of the NPT. In exercising its verification functions, the Agency must remain within those parameters if it was to retain its credibility vis-à-vis the international community and global public opinion.

80. The Agency was the sole competent authority for verification and all verification matters should be dealt with within the framework of the organization. Deliberations on such matters in other forums, such as the United Nations Security Council, could be taken into account but should not be considered binding on the Board or the Secretariat. Thus, Venezuela could not understand the use in Agency reports of such phrases as "The Agency has been mandated by the Security Council to report to it ..." (document GOV/2010/62, para. 21). Such wording suggested a misinterpretation of the Statute: the Agency was not a subsidiary body of the Security Council.

81. As NAM had noted, there had been a change over the preceding year in some elements of the reports on the Iranian nuclear issue. His country did not consider the statement in paragraph 37 of the latest report that "... Iran has not provided the necessary cooperation ..." to be justified. The content of the report itself seemed to undermine that assertion. Also paragraph 37 made no distinction between Iran's obligations under its safeguards agreement and additional voluntary confidence-building measures it had implemented in the past, which made it open to misinterpretation.

82. The report covered inspection activities at facilities subject to safeguards in Iran, notably the completion of a nuclear material balance evaluation at the FEP which had returned normal results. The report also concluded that the FEP and PFEP had been operating as declared by Iran in the design information questionnaire, and that there were no ongoing reprocessing activities. Such statements were evidence of some of the work the Agency's inspectors had carried out with the cooperation of the Iranian Government, enabling the organization to conclude that there had been no diversion of declared nuclear material in the country, a fact that should be expressed clearly and unambiguously in the report. Venezuela also supported NAM's request to limit the inclusion of unnecessary technical details that might raise concerns but did not provide relevant information.

83. With regard to the possible military dimensions of Iran's nuclear programme, the issues referred to in the report had been addressed in the past and did not have a realistic basis. It was regrettable that the credibility of the Agency was being undermined by the attention that was being paid to secret documents that the country concerned had not been given the opportunity to verify. It was difficult to understand how the Agency could make such serious allegations based on information whose origin and veracity were in doubt.

84. <u>Mr CHAOUCH</u> (Tunisia) said that his country supported universal application of the NPT, which was the cornerstone of the non-proliferation regime. It also supported the Agency's efforts to

ensure the effectiveness of the safeguards system. Tunisia renewed its call for the establishment of a nuclear-weapon-free zone in the Middle East and for the submission of all nuclear facilities in the region to Agency safeguards. It also emphasized the right of all States that complied with their NPT obligations to use nuclear technology for peaceful purposes.

85. The report contained in document GOV/2010/62 indicated that the Agency continued to verify the non-diversion of declared nuclear material in Iran. His country was convinced that the path of dialogue and negotiation would resolve all issues and differences and it called upon Iran to continue its cooperation with the Agency.

86. <u>Mr MINTY</u> (South Africa) took note of the fact that the Agency continued to verify the non-diversion of declared nuclear material in Iran, that Iran had provided a design information questionnaire for the Bushehr nuclear power plant and had given timely notification of the loading of fresh fuel into the reactor core, and that containment and surveillance measures had been put in place to maintain continuity of knowledge until the core was closed and sealed. His country looked forward to Iran's declaration to the Agency of the plant's operational schedule. It also noted that nuclear material at the FEP remained under Agency containment and surveillance and that all issues in the work programme agreed between Iran and the Agency had been resolved, except for the outstanding alleged studies.

87. Contrary to Board and United Nations Security Council resolutions, Iran had not suspended its enrichment-related activities. South Africa continued to be concerned at the lack of progress regarding Iran's compliance with relevant Security Council resolutions and in implementing the additional protocol and the modified Code 3.1 of its Subsidiary Arrangements. It urged Iran to continue to cooperate with the Agency and to clarify the outstanding issues in order to restore confidence in its peaceful nuclear programme.

88. South Africa did not wish to see any country being denied its rights under the NPT. The call on Iran to suspend enrichment activities should be seen as a confidence-building measure and not a goal in itself. Furthermore, no action should be undertaken that would minimize the capacity of the Agency to perform its verification work in Iran.

89. His country was encouraged by recent reports that the parties concerned had agreed to meet for unconditional talks and it hoped that all parties would make a renewed effort to find a sustainable solution, including to the issue of fuel supplies for the Tehran research reactor, in the interests of peace and security in the region.

90. <u>Mr CURIA</u> (Argentina) expressed support for the impartial and professional work of the Secretariat and the Director General on the Iranian nuclear issue. Argentina agreed with the assessment made by the Director General in his report, in particular the need for Iran to cooperate to clarify outstanding issues related to possible military dimensions to its nuclear programme by providing the Agency with access to relevant documentation and persons.

91. Iran should comply with United Nations Security Council resolutions. In contravention of Security Council decisions, it had not suspended its enrichment activities, had continued with the construction of the IR-40 reactor, and had not permitted the Agency to take heavy water samples or provided it with access to the Heavy Water Production Plant. In addition, it had continued to operate the FEP and the PFEP, had begun to enrich uranium to 20% at the PFEP and had continued with the construction of the FFEP.

92. It was essential that Iran take all necessary measures to generate confidence in the peaceful nature of its nuclear programme.

93. <u>Ms CHIN</u> (Singapore) welcomed the continuing cooperation between Iran and the Agency on the issue of the non-diversion of declared nuclear material, which her country was pleased to note the Agency had been able to continue to verify.

94. Her country supported Iran's right to peaceful uses of nuclear energy and welcomed statements by senior Iranian officials that nuclear weapons were against Islam and that developing them was not in Iran's national interests. As a country with good bilateral ties with Iran, Singapore strongly encouraged it to cooperate with the Agency and permit it to confirm that all nuclear material in the country was in peaceful activities, thus helping to rebuild the trust and confidence of the international community.

95. It was regrettable that, contrary to relevant Board and United Nations Security Council resolutions, Iran had not suspended its enrichment-related activities. Furthermore, without access to the Heavy Water Production Plant, the Agency was unable to verify whether Iran had suspended work on heavy water-related projects, as required by Security Council resolutions.

96. Singapore encouraged Iran to cooperate with the Agency so that it could clarify the chronology and original purpose of the FFEP. It also hoped that Iran would provide further information with regard to its announcement of the construction of ten new enrichment facilities.

97. In addition, Singapore encouraged Iran to review its decision to suspend application of the modified Code 3.1 of its Subsidiary Arrangements, as it was the only State with significant nuclear activities that had a comprehensive safeguards agreement in force that was not implementing the provisions of the modified Code 3.1. Her country also noted with concern that one issue in the agreed work plan between Iran and the Agency regarding the alleged studies remained unresolved.

98. She expressed the hope that Iran would cooperate with the Agency to dispel all doubts regarding its peaceful nuclear activities and that all parties concerned would work constructively to that end.

99. <u>Mr QUEISI</u> (Jordan) said that the Agency, as the sole competent authority for nuclear verification under the NPT, must be given the opportunity to find a peaceful, diplomatic solution to the Iranian nuclear issue. The threat of force had to be avoided, as all States had the right to conduct peaceful nuclear activities.

100. Jordan called on Iran to fulfil its obligations under its comprehensive safeguards agreement and to resume application of the modified Code 3.1 of its Subsidiary Arrangements. It should engage to report promptly to the Agency any decision regarding the construction of a nuclear facility.

101. The presence of any undeclared unsafeguarded nuclear facility in the Middle East posed a genuine threat to peace and security in the region. Jordan had always striven for stability in the Middle East, including through its support for making the region a zone free of weapons of mass destruction, and for placing all nuclear facilities in the region under Agency safeguards.

102. Jordan appreciated Iran's cooperation with the Agency's inspectors, enabling the Agency to confirm the non-diversion of declared nuclear material. It hoped that an agreement would be reached regarding the supply of fuel for the Tehran research reactor and that a diplomatic solution would be found to the Iranian nuclear issue as a whole.

103. <u>Mr BAYER</u> (Turkey)* said that his country acknowledged the right of NPT State Parties to use nuclear energy for peaceful purposes, provided that they acted in accordance with their international obligations. The Agency's safeguards system, to which Turkey attached great importance, formed an essential part of the global nuclear non-proliferation regime.

104. He noted with satisfaction that the Agency continued to verify the non-diversion of declared nuclear material in Iran, but that it was still unable to provide credible assurance about the absence of undeclared nuclear material and activities.

105. His country remained fully committed to a diplomatic solution to the Iranian nuclear issue. As an immediate neighbour of Iran, it had been encouraging and actively facilitating all constructive efforts that would ease the way for dialogue and cooperation. The Joint Declaration that had been signed by Turkey, Iran and Brazil in May 2010 demonstrated that diplomacy and engagement could work. The deal proposed in the declaration could act as a catalyst for a constructive diplomatic process to address the broader Iranian nuclear issue. Turkey continued to encourage technical talks on fuel supplies for the Tehran research reactor as a confidence-building measure.

106. His country welcomed the recent exchanges between Iran and the European Union on possible talks between Iran and China, France, Germany, the Russian Federation, the United Kingdom and the United States. Resumption of talks was an essential first step towards a comprehensive long-term negotiated solution that would restore international confidence in the exclusively peaceful nature of Iran's nuclear programme. Turkey was fully prepared to contribute further to such processes.

107. <u>Mr SIRRY</u> (Egypt)* said that the primary objective of the Board should always be to achieve progress on the issues brought to its attention in a manner that furthered the interests of the Agency and Member States. For a very long time there had been no progress on the agenda item under discussion. All States, including Iran, had the right to benefit from the peaceful uses of nuclear energy in accordance with their own vision, but they also had to abide by the legal obligations they had undertaken. In that context, Egypt urged Iran and the Secretariat to work together with a view to speedily resolving whatever issues might remain outstanding in relation to Iran's legal obligations. Egypt also called on all other Member States to contribute to creating an environment that was conducive to a negotiated outcome, thus overcoming the polarization that had plagued the Agency.

108. The Board had to recognize that the establishment of a nuclear-weapon-free zone in the Middle East was long overdue. Those who chose to stand in the way of such a zone were making a dangerous choice. Egypt hoped for a successful outcome to the conference to be convened in 2012 on the establishment of such a zone, and it was confident that all those who had a real commitment to that objective would participate.

109. <u>Ms MACMILLAN</u> (New Zealand)* said that her country was deeply concerned by the Director General's report which indicated that, while the Agency continued to verify the non-diversion of declared nuclear material in Iran, it remained unable to confirm that all nuclear material in the country was used for peaceful purposes.

110. The report highlighted Iran's ongoing refusal to comply with relevant United Nations Security Council and Board resolutions. It had not ceased its uranium enrichment or heavy water activities and work was ongoing at the FEP, the PFEP and at the new facility in Qom where Iran now intended to pursue R&D activities. Iran still refused to apply the modified Code 3.1 of its Subsidiary Arrangements and had yet to ratify or implement the additional protocol. It had also declined to provide the requested information and access needed to clarify outstanding issues and exclude the existence of possible military dimensions to its nuclear programme.

111. New Zealand urged Iran to comply with the requirements of Board and Security Council resolutions and to respond positively to the Director General's request that it reconsider its decision to request that the designation of certain inspectors be withdrawn, as experienced inspectors would speed up and assist verification activities in the country.

112. It was in all Member States' interests that the Agency be in a position to provide a correct and complete assessment of Iran's nuclear programme. New Zealand expected Iran to cooperate with the Agency to the extent necessary for the fulfilment of the Agency's verification mandate.

113. <u>Ms GOICOCHEA ESTENOZ</u> (Cuba)* noted that the Director General's report was peppered with references to earlier periods, despite the requests of numerous delegations that reports refer only to new developments since the preceding report.

114. Cuba regretted the inclusion in the report of the issue of designation of inspectors. The inalienable right of Member States to accept or reject Agency inspectors was universally recognized. The inclusion of the issue appeared to question that right and imply that sovereign actions taken by Iran had had a negative impact on the Agency's verification work in that country, whereas more than 150 inspectors were assigned to Iran and, in her country's opinion, must have the knowledge and capabilities required.

115. Her country was pleased that the 2007 work plan was mentioned in the report once again. However, it did not agree with the conclusion that the plan had not been fully implemented. It was known that the State that had provided the laptop containing information on the so-called alleged studies had systematically opposed the handing over of that piece of equipment to the Iranian authorities, hampering the resolution of the issue. Regrettably, that fact had again not been included in the report. Cuba requested the Director General to provide a more complete overview of the factors that had impeded progress in that regard and called on all States concerned to help clarify the matter.

116. She expressed concern at the total lack of information in the report on the status of the Joint Declaration of Iran, Brazil and Turkey, which constituted an important step forward. Taking into account the humanitarian nature of the issue in question and the importance the Director General attached to PACT, she called on the Director General to make every effort to revive the negotiations with a view to resolving the issue of fuel supplies for the Tehran research reactor. Her country greatly appreciated the willingness expressed by other States to contribute in connection with that issue.

117. Cuba reaffirmed Iran's right to use nuclear energy for peaceful purposes, remained confident that the Secretariat would conduct its work with impartiality, discretion, professionalism and integrity, in accordance with the Statute, and stressed the need to avoid double standards and political motivations in the handling of safeguards issues, which fell solely within the field of competence of the Agency. The involvement of the Security Council was unwelcome and should cease.

118. Her country called upon Israel to accede without conditions to the NPT and to submit its nuclear facilities to Agency safeguards. It also called upon all Member States to cease cooperation with Israel on nuclear matters. Such steps were essential prerequisites for the achievement of a Middle East free of nuclear weapons.

119. Only dialogue and negotiation could provide a solution to the Iranian nuclear issue, and Cuba therefore welcomed the possible resumption of talks between Iran and China, France, Germany, the Russian Federation, the United Kingdom and the United States. It hoped that those talks would be unconditional and based on equality and respect.

120. <u>Mr AZOULAY</u> (Israel)* said that the Director General's report once again revealed breaches of safeguards obligations by Iran, that country's unrelenting uncooperative approach to the Agency's requests, and its disrespect for a series of resolutions of the Board of Governors and the United Nations Security Council. It also introduced a troubling new element, detailing the untold story of Iran's nuclear military project. The nuclear-related military activities described in the report might have continued beyond 2004 and included topics never before described in the Director General's reports, such as experiments on neutron generation and detection, studies related to spherical

detonation, and exploding bridgewire detonators and their simultaneous detonation. When viewed together with the study of the packaging of such a payload in a missile head, the meaning of those activities could not be misunderstood. Moreover, Iran's defiant refusal to cooperate with the Agency regarding its nuclear military studies and activities gave a clear indication of its intentions.

121. The picture painted in the Director General's report was clearer than ever. While Iran was moving forward in its nuclear military research and development, it continued to enrich uranium, including to 20%, and to construct its enrichment facility in Qom and its heavy water reactor in Araq. It had also recently announced its intention to build another enrichment facility. Its activities, together with its withdrawal from implementation of the modified Code 3.1 of its Subsidiary Arrangements, and its continued refusal to ratify the additional protocol demonstrated its disrespect for the Agency and the Security Council.

122. From the experience gained over the preceding eight years, it was clear that the steps taken to prevent Iran from acquiring nuclear weapons were far from adequate. Israel hoped that the Board would strive for firmer action aimed at confronting the gravest challenge to international security of modern times.

123. <u>Mr OTHMAN</u> (Syrian Arab Republic)* expressed surprise that continued pressure was being exerted on Iran, despite that country's cooperation with the Agency in accordance with its international obligations under the NPT, the Agency's Statute and the provisions of its comprehensive safeguards agreement. Moreover, the maintenance of such pressure on Iran based on unfair suspicions, allegations, perceptions and assumptions, and the attempts to deprive that country of its legitimate right to use nuclear energy for peaceful purposes were cause for serious concern. The Agency had not found evidence that Iran had breached its obligations under its comprehensive safeguards agreement, despite repeated intensive Agency inspections of its nuclear activities, and Iran had demonstrated goodwill and transparency in reporting to the Agency all its activities under its peaceful nuclear programme.

124. It was regrettable that the international community continued to apply double standards by bringing pressure to bear on Iran and ignoring Israel, whose nuclear capabilities continued to grow but which was not a party to the NPT. Although Israel remained outside the NPT, it was a member of the Agency and was therefore subject to the provisions of the Agency's Statute.

125. His country called for continued diplomatic efforts and constructive dialogue, and for a halt on the imposition of restrictions on the legitimate right of countries, including Iran, to use nuclear energy for peaceful purposes. The Agency should also cease the application of double standards in order to uphold the credibility of its mandate.

126. <u>Mr SOLTANIEH</u> (Islamic Republic of Iran)* thanked the members of NAM for their indispensable support for the Government and people of Iran.

127. The international community and the public at large had the right to know the facts, which had not been accurately reflected owing to biased, selective and politically motivated debates both in the Agency and in the media, which were governed by a few Western countries. Some States appeared to be acting in a vacuum and were totally ignoring the fact that the Statute was the only legal framework for deliberations within the Agency. The most pragmatic course of action was to focus on legal aspects of the Iranian nuclear issue, referring to the provisions of the Statute with a view to judging whether or not the actions, decisions and resolutions of the Agency were in accordance therewith.

128. Based on Articles II and III.A.1–4 of the Statute, one could reasonably conclude that: the Agency was an international technical organization established to promote the peaceful use of nuclear energy throughout the world; Agency safeguards and inspections were voluntary in nature and applied

upon request; the Agency was not an intelligence Agency and had no right to interfere in the internal affairs of Member States, including their nuclear policy, programmes and activities; and the confidential information received by the Agency through technical cooperation or inspection activities must be protected.

129. The Agency was an independent organization. It was not indicated anywhere in its Statute that the organization was obliged to implement decisions taken by the United Nations General Assembly or Security Council. The Director General informed the General Assembly about the Agency's activities in accordance with the relationship agreement between the Agency and the United Nations. The obligations of members of the United Nations must be distinguished from their obligations under the Agency's Statute. Under Article XII.C of the Agency's Statute, the Security Council and the General Assembly were informed of cases of non-compliance. No provision existed in the Statute giving those bodies the right to dictate action to be taken by the Agency. The Director General was given his mandate by the Member States of the Agency, not by the Member States or Secretary-General of the United Nations.

130. Reviewing the Iranian nuclear issue in the light of those undeniable legal facts, he drew attention to the following. According to all the reports of the current and former Director General, no evidence had been found of diversion of nuclear material and activities to prohibited purposes. The Agency had been able to continue its verification activities in Iran. The legal process outlined in Article XII.C of the Statute concerning reporting of non-compliance had never been followed with respect to Iran. Non-compliance had not been reported by Agency inspectors. Some members of the Board of Governors, namely France, Germany, the United Kingdom and the United States, had alleged non-compliance and had forced the issue to be referred to the Security Council. It should be noted that those countries had raised the issue of non-compliance with respect to the period prior to 2003 only some three years later, when Iran was no longer continuing its voluntary suspension. Even the resolutions pressing for the involvement of the Security Council had recognized that suspension was a voluntary, non-legally-binding confidence-building measure. How could then the cessation of voluntary suspension be viewed as non-compliance? He pointed out that, in the case of Iran, the Agency had, for the first time in its history, been involved in verifying the suspension of an activity by a Member State. The non-compliance referred to in Article XII.C of the Statute concerned nuclear material and equipment received by a country from the Agency and used for prohibited purposes. However, none of the material and equipment covered in the reports of the Director General had been received from the Agency and thus all the measures imposed, including the resolutions of the Board of Governors and the Security Council, did not have any legal justification and could not be implemented.

131. As a detailed explanatory note reviewing the report of the Director General was being published as INFCIRC/810 for distribution to Member States and the public, he would refrain from detailed consideration of the report. However, one major concern was that the report failed to make a clear distinction between legally binding measures (such as those which fell within the framework of Iran's comprehensive safeguards agreement), voluntary measures and disputable measures (which the Secretariat considered obligations, but which Iran considered to be outside the statutory mandate of the Agency, including requests for Iran to suspend enrichment activities and the construction of the heavy water research reactor (IR-40), and deal with allegations of military dimensions such as missiles and high explosives, and requests based on Security Council resolutions or the additional protocol, and the modified Code 3.1 of the Subsidiary Arrangements). Mixing those three categories led to confusion, misunderstanding and unnecessary political tension between Iran and the Secretariat, Member States and the public, and he requested the Director General to take into account his country's legitimate request to separate the issues into three distinct categories.

132. Another problem with the report was the distinction drawn between declared and undeclared nuclear material and activities. In that connection, he stated that there were no declarable nuclear material and activities in accordance with the comprehensive safeguards agreement other than those which had already been declared and were under full-scope safeguards.

133. An ugly new phenomenon was being encountered nowadays, namely terrorist attacks against scientists and academics. The inhumane assassination of Iranian scientists was taking place in pursuance of the hostile policy against Iran's peaceful use of nuclear energy under the Agency surveillance. Some of the targets were nuclear experts listed in connection with the Security Council and European Union sanctions. It was deplorable that the names of nuclear experts cooperating with the Agency during inspections were on such lists. How could Member States trust the Agency and be assured that the names of their scientists interacting with Agency inspectors or officials would not appear on them? Such treatment of nuclear scientists, particularly those cooperating with the Agency in the most transparent and honest manner, would have negative consequences for the future of the Agency. Moreover, such blind terrorist acts, supported by some Western countries, would undoubtedly serve to strengthen the solidarity of the Iranian people and Government, and their determination to realize their inalienable right to use nuclear energy for peaceful purposes.

134. After almost eight years of continuous robust and intrusive inspections, unprecedented in the history of the Agency, no evidence whatever of diversion of nuclear material to military purposes had been found. All nuclear activities remained under full-scope Agency safeguards and all nuclear material was continuously accounted for. The political disputes must be stopped and the item on implementation of the NPT safeguards agreement in Iran removed from the Board's agenda. As past experience had shown, the uncivilized 'carrot and stick' or 'sanction and negotiation' policy was doomed to failure. A new phase of negotiation based on mutual respect and equality of the parties concerned should be opened up with a view to enhancing cooperation and mutual trust.

135. The Islamic Republic of Iran had always opted for dialogue and it advised those that had followed a policy of confrontation to change their attitudes and use negotiation as the means to achieve a peaceful solution to regional and global conflicts and problems, including security concerns regarding nuclear weapons. His country welcomed the return of China, France, Germany, the Russian Federation, the United Kingdom and the United States to the negotiating table. Iran would spare no effort in using its great potential to achieve peace and prosperity throughout the world.

136. The <u>CHAIRMAN</u>, summing up the discussion, said that several members had expressed their appreciation to the Director General for his report contained in document GOV/2010/62. Several members had commended the Director General and the Secretariat for their continuing impartial efforts related to the verification of Iran's nuclear programme.

137. Several members had expressed serious concern that the Director General's report had clearly indicated once again that Iran was failing to cooperate fully with the Agency and that it continued to defy multiple United Nations Security Council resolutions, inter alia by not suspending its enrichment activities. They had emphasized that Iran should take the steps required by the Board and the Security Council and cooperate fully with the Agency. They had also noted that the report was addressed in parallel to the Security Council, in line with resolution 1929 (2010).

138. Several members had emphasized that the Agency was the sole competent authority for nuclear verification in connection with the NPT and that the Agency should continue its work to resolve the Iranian nuclear issue.

139. Several other members had welcomed the continued cooperation between the Agency and Iran as described in the Director General's latest report.

140. Several members had also noted that, according to the report, the Agency continued to be able to verify the non-diversion of declared nuclear material in Iran. They had noted that the Agency had not found indications of ongoing reprocessing activities at the declared facilities in Iran. They had encouraged Iran to continue cooperating with the Agency to provide credible assurances regarding the absence of undeclared nuclear material and activities in Iran.

141. Several members had expressed the view that, taking into account those developments, as well as the information provided in the Director General's reports on Iran's implementation of the work plan, they looked forward to safeguards implementation in Iran being conducted in a routine manner.

142. Several members had expressed their regret that Iran had not provided the necessary cooperation to permit the Agency to confirm that all nuclear material in Iran was in peaceful activities.

143. Several members had noted the explanation provided by the Secretariat in its letter of 24 November 2010 in response to their concern about the possible implications of the departure from standard verification language in the report of the Director General and had indicated that they would reflect on that explanation. They had requested the Secretariat to continue to refrain from including extensive technical details pertaining to sensitive proprietary information in the reports of the Director General.

144. Several other members had stressed the importance of the Agency's statement that, in order for it to be able to provide assurances regarding the absence of undeclared nuclear material and activities, Iran needed to resume implementation of the modified Code 3.1, implement the additional protocol and clarify the issues which raised concerns about possible military dimensions to its nuclear programme.

145. Several members had expressed serious concern that Iran was the only State with significant nuclear activities which had a comprehensive safeguards agreement in force but was not implementing the provisions of the modified Code 3.1 of the Subsidiary Arrangements General Part. They had noted the Director General's report which stated that Subsidiary Arrangements could not be changed unilaterally, nor was there a mechanism for their suspension in Iran's safeguards agreement, and they had called on Iran to implement the modified Code 3.1.

146. Several members had expressed their concern at the announcement by Iran of its intention to build ten additional uranium enrichment plants, which constituted a further provocation and defiance of the international community. They had supported the Agency's request to receive assurance from Iran that no new nuclear facilities existed or were being built in the country. Several other members had encouraged Iran to provide design information regarding its nuclear facilities in accordance with its comprehensive safeguards agreement with the Agency.

147. Several members had expressed serious concern that Iran had refused to cooperate with the Agency and give substantive answers to questions that needed to be clarified in order to exclude the possibility of military dimensions to Iran's nuclear programme. They had noted that the information available to the Agency in connection with those issues was considered to be extensive, consistent and credible.

148. They had further urged Iran to provide substantive responses to those questions and to provide the Agency with all requested information and access to the relevant documentation, locations and individuals in order to enable the Agency to clarify the nature of Iran's nuclear programme.

149. Several other members had recalled that previous Agency reports indicated that the Agency had limited means to authenticate independently the documentation that formed the basis of the alleged studies, and that the constraints placed by some Member States on the availability of information to Iran were making it more difficult for the Agency to conduct detailed discussions with Iran on that

matter. They had called on States which had provided the Agency with documentation related to the alleged studies to authorize the Agency to provide all related documents to Iran to assist the Agency in moving forward the verification process.

150. Several members had expressed their concern at the repeated objection by Iran to the designation of experienced inspectors, which hampered the inspection process and detracted from the Agency's ability to implement safeguards in Iran, and they had called on Iran to withdraw its objection.

151. Members had reaffirmed the basic and inalienable right of all Member States to develop nuclear energy for peaceful purposes in conformity with their respective legal obligations. Several members had emphasized the distinction between voluntary confidence-building measures and legally binding safeguards obligations.

152. They had also reiterated their support for the establishment of a nuclear-weapon-free zone in the Middle East and had expressed the view that addressing the Iranian nuclear issue should not be seen in isolation from efforts exerted towards that end. They had stated that any attack or threat of attack against peaceful nuclear facilities would pose a great danger and constitute a grave violation of international law.

153. The continued need for substantive and comprehensive negotiations and dialogue among all relevant parties covering all relevant issues had been emphasized as a way to reach a long-term solution to the Iranian nuclear issue, and all Member States had been encouraged to contribute positively to that effect. In that regard, the Joint Declaration by Iran, Brazil and Turkey of 17 May 2010 had been highlighted by some members.

154. Several members had welcomed the upcoming meeting between the parties concerned in Geneva on 6–7 December. Some members had also called on the members of the Vienna Group to seize that opportunity to work towards reaching a solution to the issue of supply of fuel for the Tehran research reactor.

155. Several members had noted that Iran's nuclear power plant at Bushehr, which was subject to Agency safeguards, was starting operations and had been loaded with fuel. That had been considered a positive example of Iran's exercise of its right to the peaceful uses of nuclear energy.

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

157. He asked whether his summing-up was acceptable.

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

159. The <u>CHAIRMAN</u> took it that the Board agreed to the request to make public the report by the Director General contained in document GOV/2010/62.

160. It was so decided.

The meeting rose at 5.55 p.m.