

IAEA Board of Governors
Record of the 1081st Meeting
GOV/OR.1081

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Nuclear verification
(b) Implementation of the NPT safeguards agreement in the Islamic
Republic of Iran: Report by the Director General

Board of Governors

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Record of the 1081st Meeting

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Contents

Item of the agenda*	Paragraphs
5 Nuclear verification	1 - 60
(b) Implementation of the NPT safeguards agreement in the Islamic Republic of Iran: Report by the Director General (<i>resumed</i>)	
7 Any other business	61 - 63
- Tributes	64 - 65

[*] GOV/2003/65.

03-05257 (LXIII)

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.)

Ms. AL-MULLA	Chairperson (Kuwait)
Ms. KELLY	Argentina
Ms. STOKES	Australia
Mr. ABDENUR	Brazil
Mr. DOBREV	Bulgaria
Ms. DAMIBA	Burkina Faso
Ms. HALL	Canada
Mr. GONZÁLEZ ANINAT	Chile
Mr. ZHANG Huazhu	China
Mr. SERRANO CADENA	Colombia
Mr. CARRERA DORAL	Cuba
Mr. VACEK	Czech Republic
Mr. CHRISTENSEN	Denmark
Mr. EL-LAITHY	Egypt
Mr. VILLEMUR	France
Mr. HONSOWITZ	Germany
Mr. SREENIVASAN	India
Mr. SALEHI	Iran, Islamic Republic of
Mr. TAKASU	Japan
Mr. AL-DAWOUD	Kuwait
Mr. GULAM HANIFF	Malaysia
Mr. ZNIBER	Morocco
Mr. RAMAKER	Netherlands
Ms. BRIDGE	New Zealand
Mr. HALPHEN PÉREZ	Panama
Mr. GARCIA	Philippines
Mr. TANASESCU	Romania
Mr. BERDENNIKOV	Russian Federation
Mr. AL-TAIFI	Saudi Arabia
Mr. MINTY	South Africa
Mr. NÚÑEZ GARCÍA-SAÚCO	Spain
Mr. AHMAD	Sudan
Mr. SCHNYDER von WARTENSEE	Switzerland
Mr. ŞAHİNBAŞ	Turkey
Mr. JENKINS	United Kingdom of Great Britain and Northern Ireland
Mr. BRILL	United States of America
Mr. ELBARADEI	Director General
Mr. GOLDSCHMIDT	Deputy Director General, Department of Safeguards
Mr. WALLER	Deputy Director General, Department of Management
Mr. ANING	Secretary of the Board

Representatives of the following Member States attended the meeting:

Algeria, Angola, Austria, Belgium, Bosnia and Herzegovina, Croatia, Finland, Greece, Hungary, Iceland, Indonesia, Ireland, Israel, Italy, Jordan, Kazakhstan, Republic of Korea, Lebanon, Libyan Arab Jamahiriya, Lithuania, Luxembourg, Mexico, Namibia, Nigeria, Norway, Pakistan, Paraguay, Peru, Poland, Portugal, Slovakia, Slovenia, Sweden, Syrian Arab Republic, Thailand, Tunisia, Ukraine, United Arab Emirates, Uruguay, Venezuela, Yemen, Zimbabwe.

Abbreviations used in this record:

NPT Treaty on the Non-Proliferation of Nuclear Weapons

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

4. Nuclear verification

(b) Implementation of the NPT safeguards agreement in the Islamic Republic of Iran: Report by the Director General (resumed) (GOV/2003/63, 68 and Add.1)

1. The CHAIRPERSON drew the Board's attention to the fact that the draft resolutions contained in documents GOV/2003/66 and GOV/2003/67 had been withdrawn, and that a new draft resolution had been put forward which was contained in document GOV/2003/68.
2. Mr. SALEHI (Islamic Republic of Iran) said that the debate on the issue had revealed two distinctly contrasting approaches. One attempted to circumvent the Agency and refer the matter immediately to the Security Council. The other approach, which was clearly the most popular but would not necessarily win through, sought to sustain the process and allow the Agency to discharge its responsibilities despite political bullying. The Director General had summed up the debate in succinct and compelling terms: the issue was important and needed to be cleared up; it was technical and should remain so; the wish to resolve the matter swiftly was justified, but the Agency's work should be allowed to run its course; although failures had occurred, the important thing was to remedy them and ensure that all activities were under safeguards; to conclude that the Agency was unable to verify the situation would be detrimental to the safeguards system; the reaction of the Board, in form and substance, should reflect the collective view of the entire membership; and, above all, there should not be any jumping to conclusions or jumping the gun. The message was clear. The Agency was doing its job and, if given the chance, could arrive at conclusions. The process had perhaps been slow, but it was picking up speed. There might be deficiencies and discrepancies, but they could be remedied. The process should be sustained, confidence enhanced and results achieved; otherwise, everyone, including the Agency, would lose. Unfortunately, the debate had rapidly taken on a political character, which was unusual for the Board. It was thus time to clear up certain misconceptions.
3. On the preceding day, a number of Governors had stated that time was up and that a final ultimatum should be issued, making spurious claims that there was an imminent and clear danger. Even more scandalously, Governments were being told in private that Iran would be a nuclear threat in six months, in an attempt to turn a safeguards issue into one of international security. The United States was, unsurprisingly, resorting to deception and lies, and might even wield its massive power to crush the perceived culprit. Nothing could quench its thirst for vengeance short of confrontation and war. It was no secret that influential groups in the current United States administration were toying with the idea of invading yet another country as part of a plan to reshape the entire Middle East region.
4. However, his country was surprised to see a country like Canada, which was known for its principled stance on international issues, allowing its credibility to be tarnished. It was Canada that had made a passionate appeal for an indefinite extension of the NPT and had underscored the importance of the balance between rights and responsibilities. It was Canada that had stressed the need to implement all undertakings, specifically those related to the peaceful use of nuclear energy, as set out and approved by all State Parties. Hence, Canada's current silence on rights and its overemphasis of responsibilities was bewildering. What had become of its sense of balance?
5. The first draft resolution on the issue had been tabled by three States and supported, as co-sponsors, by three States that routinely joined such orchestrated efforts, supposedly on the basis of tradition and an institutional commitment to maintaining unanimity. To win support for an opposing

view however valid, was an awesome and well-nigh impossible task. The draft resolution had then been re-introduced by Australia, Canada and Japan with minor, primarily cosmetic changes.

6. It had been argued that the draft resolution reflected the Agency's account of the situation, which was clearly not true. The Agency was eager to continue the process, encourage further co-operation, ensure compliance, and avoid referring the matter to New York unless the situation deteriorated irreparably. The draft resolution, on the other hand, aimed at reaching an early deadlock so the issue could be rapidly referred to the Security Council, ending co-operation and fabricating a hasty ruling of non-compliance.

7. As an ultimate act of benevolence, Iran had been granted 45 days to deal with every item on a list of things to be done, a patently impossible task. The demands set out in that list went well beyond its obligations under its safeguards agreement and even under an additional protocol. He asked the Governors from Australia, Canada and Japan to state clearly whether, if the demands in the list were met in full, Iran would at long last be allowed to enjoy its inalienable right to the peaceful use of nuclear energy without restrictions or impediments.

8. For the preceding 24 years, Iran had been subject to the severe sanctions and export restrictions on material and technology related to the peaceful use of nuclear energy. Consequently, it had had no choice but to exercise discretion, as any attempt to procure or produce what it needed for its peaceful programme had been relentlessly suppressed. If his country had sometimes been slow to co-operate, if there had been occasional discrepancies, or if it had hesitated to adhere to the additional protocol or embrace confidence-building initiatives that was because of its concern over the United States' intention to deprive Iran of the benefits of nuclear energy for good.

9. Iran rejected the ultimatum contained in the draft resolution. The United States had insisted on maintaining the proposed deadline, despite appeals by a large number of States, including some of the co-sponsors, to drop it. That was music to the unilateralists' ears, but spelled disaster for the Agency.

10. Among those that had sought and developed nuclear weapons, outside the five official nuclear-weapon States, Israel could do what it pleased and was pampered instead of being chastised. Iran, on the other hand, had repeatedly stressed that it had no intention whatever of pursuing nuclear weapons, that it only sought nuclear energy for peaceful purposes, that it was ready and willing to fulfil all its obligations under its safeguards agreement and to accept additional obligations if it was protected against ill intentions and abuse, that it would make every effort to take remedial measures wherever required, that it would seek transparency and subject all its activities to safeguards, that it would do everything it could to assure the Agency of its peaceful objectives, that it was committed to the NPT and that it strongly favoured making the Middle East a nuclear-weapon-free zone.

11. The draft resolution struck at the very core of Iran's commitments and its currently expanding co-operation. Its adoption, without minor but essential changes, threatened to stifle an otherwise constructive process and would force his country to undertake a far-reaching review of the existing level and extent of its involvement with the Agency. Iran therefore rejected the draft resolution in the strongest terms. He thanked all those that had lent support to his country and had proposed amendments in an effort to move the process forward and uphold the authority and integrity of the Agency. Unfortunately, the sponsors had acted with total disregard for the principles of multilateralism and had not considered Iran's proposed amendments.

12. Finally, he requested that his statement be made public and announced that his delegation would withdraw from the room in protest.

13. Ms. STOKES (Australia), introducing draft resolution contained in document GOV/2003/68, said that it enjoyed widespread support in all geographic regions. All Member States should be able to

endorse the draft's overriding objective, which was to provide full support for the Agency in its work and resolve the issue at hand. She expressed the hope that it would be adopted without a vote.

14. The CHAIRPERSON took it that the Board wished to adopt the draft resolution contained in document GOV/2003/68 without a vote.

15. It was so decided.

16. Mr. GULAM HANIFF (Malaysia), speaking on behalf of the Non-Aligned Movement, said that operative paragraphs 3 and 4 of the resolution asked Iran to take action which went beyond the provisions of both the NPT and an additional protocol. By setting a deadline at the end of October 2003, the resolution tied the Agency's hands. More importantly, it also meant that Iran's co-operation was no longer required after that date.

17. With regard to operative paragraph 4(ii), a legal interpretation was required of the words "unrestricted access" in connection with Iran's compliance with its current safeguards agreement. Those words were not even used in the additional protocol.

18. In the view of the Non-Aligned Movement, the words "definitive conclusions" in operative paragraph 7 did not necessarily mean "final conclusions" but "appropriate or precise conclusions". It therefore considered that it was not the intention of the resolution to forestall or hinder the Agency's required activities in Iran before or after the November 2003 meetings of the Board.

19. He welcomed the increased co-operation between the Agency and Iran and encouraged Iran to continue intensifying that co-operation.

20. The Non-Aligned Movement had full confidence in the Director General's ability to discharge his responsibilities in an impartial, effective and professional manner and was convinced that the matter should be resolved peacefully within the Agency's mandate.

21. Mr. MORENO (Italy)*, speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the associated countries Bulgaria, Romania and Turkey, and Norway and Iceland, expressed full support for the resolution, and for the NPT and the indispensable role of the Agency in verifying Member States' full compliance with their safeguards agreements. He called on Iran to continue and intensify its co-operation with the Agency, which was essential if the Director General was to be able to provide the Board with the assurances that all Member States and the international community clearly required by mid-November, if not before.

22. Mr. EL-LAITHY (Egypt) said that, under Article II of the Statute every Member State of the Agency was entitled to use nuclear energy for peaceful purposes to meet its perceived needs. However, its activities in that area should be transparent and subject to comprehensive supervision, and should not pose any additional threat to the world as a whole and to the Middle East region in particular.

23. The time available had been too short to permit lengthy negotiations concerning the content of the resolution just adopted, and his country therefore viewed the matter as being still under discussion, and that solely from a technical point of view. Should the discussion subsequently move beyond purely technical issues, Egypt would demand that any new resolution address the regional dimensions of the issue, including the application of comprehensive safeguards to all nuclear facilities in the Middle East and the creation of a zone free of nuclear and other weapons of mass destruction in the region.

24. Mr. VILLEMUR (France) expressed satisfaction that the resolution had been adopted without a vote. As his country had stressed on numerous occasions, the international community expected strong action from Iran, and the resolution stated explicitly what action was required for Iran to restore confidence and improve its relations with the international community. France hoped that dialogue with Iran could continue and that, at its November 2003 meetings, the Board would find that its requests had been met and that co-operation with the Agency was continuing and intensifying.

25. Mr. SREENIVASAN (India) said that, though his country felt it was the responsibility of States party to the NPT to comment on matters pertaining to Iran's obligations under that Treaty, it nevertheless attached great importance to the Agency's safeguards system which was built on the premise that States which had acceded to safeguards agreements would co-operate fully.

26. In the issue under discussion, the Board should proceed with due sensitivity to the shared responsibility of both Iran and the Agency. There was a need for deeper engagement with a view to resolving outstanding issues through transparency and co-operation, and all those involved should show the requisite sense of moderation and responsibility so that solutions could be found which were consistent with the concerns, rights and dignity all of parties, and so that the Board could send a united message to the world that engendered confidence. The issues should be viewed in a larger context and inflexibility and attempts at isolation avoided.

27. Mr. ABDENUR (Brazil) expressed regret at the Board's failure to reach a compromise on the resolution just adopted. Brazil had misgivings with regard to certain elements of the text. For instance operative paragraph 3 contained a clear inconsistency, and perhaps set a dangerous precedent, in calling for a suspension of enrichment activities in a manner that did not adequately reflect the balance of rights and obligations under NPT safeguards. With regard to operative paragraph 4, though there was clearly an urgent need to clarify all outstanding issues, the Board should not attempt to force the pace of what was, of necessity, a difficult and complex process. The imposition of unduly strict timeframes and deadlines might impede the flexibility required by the Secretariat and would not necessarily help bring the issue to a fully satisfactory outcome, upholding Iran's obligations under the NPT and its safeguards agreement. At the same time, Iran should ensure that the co-operation required under operative paragraph 4 was provided without delay. He noted in that connection the Director General's statement to the effect that the Agency could clarify all outstanding issues in a relatively short period with proactive co-operation. Referring to operative paragraph 7, he said that the Board should retain the option of drawing definitive conclusions after its November meetings if the information required to draw such conclusions was not available by then. Retaining that option did not detract from the sense of the urgency, nor did it imply that the Board would adopt a complacent attitude if Iran were insufficiently co-operative in implementing the provisions of the resolution.

28. Most Member States were in agreement with the majority of the resolution's substantive provisions, which reflected the international community's grave concern over the unresolved issues surrounding Iran's fulfilment of its safeguards obligations. The resolution also reflected the Board's unanimous support for the Director General in his efforts to complete expeditiously the tasks assigned to him. He expressed the hope that Iran would further enhance its co-operation with the Agency, ensuring full transparency, providing all information deemed necessary and granting unrestricted access to any location or installation the Agency might wish to inspect. Such co-operation was, after all, in Iran's own interests. Given that level of co-operation, the Director General should be able to provide the Board with the information it had requested. It was important that there be no lack of transparency or timely measures on the part of Iran, or any premature conclusions on the part of the Agency. The ultimate goal was to bring the matter to a satisfactory conclusion as soon as possible within the confines of the Agency.

29. Mr. CARRERA DORAL (Cuba) said that his country fully supported the approach the Agency had adopted to the issue under discussion and welcomed Iran's constructive and transparent attitude. The Agency should take all necessary steps to ensure that States honoured their safeguards obligations. However, any attempt to prejudge a country's nuclear programme or to politicize discussions relating to it was inadmissible. Only the Agency had the mandate to verify and draw conclusions about a country's nuclear programme on the basis of objective and factual information.

30. The Director General had indicated that there were inconsistencies between Iran's declarations and the material found at a number of its facilities, but the verification process had not yet been completed. Additional sampling and further exchanges of information with the Iranian authorities were required. Hence, no definitive conclusions could as yet be drawn about the nature of Iran's nuclear programme. Moreover, the Director General had confirmed that Iran was co-operating with the ongoing investigation by providing information and allowing environmental sampling.

31. Cuba was confident that Iran would continue to show transparency and goodwill in honouring its commitments under the NPT and welcomed its decision to initiate negotiations on the conclusion of an additional protocol. The constructive dialogue between the Agency and Iran should continue in order to ensure that substantive progress was made with the implementation of Iran's safeguards agreements. The resolution which had just been adopted issued an ultimatum to Iran and was premature and counterproductive. His country opposed any attempt to violate a State's sovereign right to accede to an international instrument whenever it saw fit. Acceptance of such conduct would set a very undesirable precedent in international relations, undermining the principles of justice and equity. Cuba would make every effort to prevent the precipitation of a new international crisis through mishandling of the issue, and it strongly supported the political and diplomatic attempts to reach a settlement that was acceptable to all parties, that remained within the framework of the Agency, and that respected the sovereignty of the Islamic Republic of Iran and the principles of the Charter of the United Nations.

32. Mr. HONSOWITZ (Germany) welcomed the adoption of the resolution as a clear signal that the international community expected Iran to co-operate fully and guarantee full transparency of its nuclear programme. Action was needed on three important points: Iran should promptly and unconditionally sign, ratify and implement an additional protocol; it should suspend all enrichment-related activities and refrain from reprocessing and other fuel-cycle activities as a confidence-building measure; and it should, by the end of October 2003, take all necessary action to enable the Director General to make a comprehensive report which would allow the Board to draw definitive conclusions, if possible at its November 2003 meetings. He looked forward to accelerated and enhanced co-operation between the Agency and Iran with a view to resolving the issues addressed in the resolution in a positive and satisfactory way.

33. Mr. MINTY (South Africa) said that South Africa had sought from the outset to reach a peaceful resolution of the issue of Iran's nuclear programme through verification within the Agency's mandate. In tabling an earlier resolution on the matter, it had tried to establish a consensus that would enable the Board to proceed in a coherent, unified and effective manner, providing maximum support to the Agency. The verification process took time and it was important not to jump to conclusions that were not fully supported by the facts.

34. Although his country had supported the resolution just adopted, it wished to clarify certain points relating to it. Firstly, South Africa was of the view that the intention of operative paragraph 3 was to create a situation in which Iran would build confidence vis-à-vis the international community regarding its nuclear activities. It held to the position that States had the right under the NPT to conduct nuclear activities for peaceful purposes. It would therefore have preferred less peremptory language in the paragraph in question. Secondly, with regard to the request in operative paragraph 7

for the Director General to a report to the Board in November 2003, he stressed that the Director General's work should not be prejudiced in any way, and it should be remembered that he would have to carry out extensive verification work, possibly also involving other countries. The Board's conclusions should be based on a factual report and it would be inappropriate for it to commit itself in advance to reaching definitive conclusions.

35. It was critical to focus on the central importance of maintaining and enhancing the integrity and credibility of the NPT and of the Agency. The issue was sensitive and complicated and the Board should seek to promote continued and full co-operation between Iran and the Agency.

36. Mr. BERDENNIKOV (Russian Federation) said that his country had found it difficult to accept the adoption of the resolution on the Islamic Republic of Iran without a vote since that resolution was flawed. For example, it failed to mention the important statement in the Agency's report that Iran had recently been more co-operative in providing information and allowing access to additional sites. However, the Russian Federation had gone along with the resolution in order to preserve and strengthen the unity of the Board in non-proliferation matters.

37. It was his country's understanding that the resolution gave the Agency and Iran the necessary time to clarify the outstanding issues relating to the latter's nuclear programme and did not establish a deadline. If new information of interest to the Agency came to light after the end of October 2003, nothing should prevent Iran from transmitting it to the Agency as soon as possible. In the current circumstances, haste and the exertion of pressure on the Agency were inappropriate. The most important thing was to help the latter obtain a clear, objective and comprehensive picture of Iran's nuclear activities. Even from a strictly technical point of view, it would be wrong to speed up laboratory analyses of the environmental samples taken in Iran. The Agency also needed time to work with third countries to clarify certain issues.

38. The Russian Federation was equally of the view that operative paragraph 7 of the resolution did not require either the Agency or the Board to draw definitive conclusions by a particular date and was pleased to note that other members of the Board shared that interpretation. Only when the Director General was in a position to present a full picture to the Board of all aspects of the Iranian programme could any specific conclusions be drawn. To state categorically that the Agency should complete its work by November 2003 would be irresponsible and might place the Board and the Agency in a difficult position. Fortunately, operative paragraph 7 gave the Board and the Agency some flexibility in the matter and the resolution could therefore not be interpreted as an ultimatum.

39. The appeal to Iran in operative paragraph 3 of the resolution to suspend its uranium enrichment activities was without prejudice to the legitimate right of States party to the NPT and Member States of the Agency to develop peaceful nuclear programmes and was intended as a temporary confidence-building measure.

40. The most important features of the resolution were the strong signal the Board had sent to Iran that it should continue and enhance its co-operation with the Agency and ensure full transparency of its nuclear programme, and the appeal for it to sign an additional protocol immediately and unconditionally. He noted with satisfaction that Iran's official response to the Agency on that score had been favourable and trusted that the negotiations would not be unduly lengthy and would be crowned with success.

41. Mr. ZHANG Huazhu (China) said that, while his country resolutely opposed the proliferation of nuclear weapons and supported the Agency's efforts to fulfil its safeguards mandate under the NPT and its Statute, it upheld the legitimate right of all States to use nuclear energy for peaceful purposes. The issue of Iran's nuclear programme should be addressed through constructive dialogue and co-operation within the framework of safeguards. The international community should work in an

objective and equitable manner towards a peaceful solution by encouraging Iran to co-operate further with the Agency. Such an approach would serve the interests of both Iran and the international community. Although China was not fully satisfied with the resolution just adopted, it hoped that it would contribute to the achievement of the aforementioned objectives.

42. Mr. TAKASU (Japan) said that the adoption of the resolution on Iran demonstrated the Board's ability to rise to a challenge and speak with a single voice. The objectives of the resolution were to strengthen the Agency's ability to provide the requisite safeguards assurances, and to give Iran an opportunity to prove its stated commitment to the peaceful use of nuclear energy and to dispel any doubts regarding its nuclear activities.

43. Japan was committed to the peaceful use of nuclear energy, but it had a strong sense of its responsibility to prove that its programme served exclusively peaceful purposes through full transparency and co-operation with the Agency. It expected the same co-operation of Iran and encouraged the Iranian authorities to recognize the value of the firm message contained in the resolution, to enhance its co-operation and to increase transparency by promptly signing and implementing an additional protocol. His country stood ready to assist the Agency and Iran, as well as other relevant countries, with a view not only to sustaining but to accelerating the verification process in the interests of reaching a speedy resolution of the outstanding issues.

44. Ms. HALL (Canada) said that, in the light of the evidence contained in the Director General's report and the contradictions in Iran's account of its nuclear programme, her country was of the opinion that a finding of non-compliance would be warranted, requiring the Agency to refer the matter to the Security Council. However, the resolution just adopted had given Iran one last chance fully to meet its NPT and safeguards obligations. In deciding that certain actions by Iran were "essential and urgent" to dispel doubts about the non-diversion of nuclear material, the resolution was referring to Iran's obligations under Article 18 of its safeguards agreement. Although the resolution fell short of the finding that Canada had originally advocated, it established measurable benchmarks and sent a firm signal to Iran and to the world. She urged Iran to take the final opportunity offered. Failure to take the action specified in the resolution and to address all concerns fully and satisfactorily would necessarily result in a finding of non-compliance and a report to the Security Council. She also noted that the resolution requested third countries to co-operate closely and fully with the Agency in clarifying outstanding questions. Finally, she looked forward with interest to the Director General's report on the matter at the November 2003 meetings of the Board and requested that the text of the resolution be made public.

45. Mr. BRILL (United States of America) said that the facts already established by the Agency about Iran's nuclear programme fully justified an immediate finding of non-compliance. However, in deference to other Member States' wish to give the Agency a last chance to elicit Iran's full and prompt co-operation with its requests, his country had supported the resolution. Despite the differences that had arisen during the lengthy consultations which had led to the drafting of the resolution, differences which persisted with regard to certain parts of it, all Member States should be able to agree with its fundamental purpose, namely to express the Board's full and unambiguous support for the Agency in its efforts to implement Iran's safeguards agreement and obtain answers to the many unanswered questions concerning Iran's programme.

46. The Board's action was consistent with its responsibility under the NPT regime and conveyed an unequivocal message that, when legitimate questions about safeguards compliance were raised, the international community would not be satisfied or deflected by policies of delay, denial or deception. As such policies complicated efforts to find a constructive resolution and undermined multilateral institutions, the Board was right to insist on a prompt and complete resolution of the issue.

47. The United States recognized the right of all Member States that complied with their safeguards agreements to develop atomic energy for peaceful purposes, but none had a right to nuclear energy for putatively or presumably peaceful purposes. Under the NPT, States had the right to use nuclear material for verifiably peaceful purposes, i.e. in conjunction with effective safeguards. To expect the Agency or other parties to the NPT to give a State the benefit of the doubt, or to accept assurances of peaceful intent uncritically, would undermine the non-proliferation regime.

48. The Director General had stressed the need to resolve all outstanding issues as soon as possible in order to reach a definitive conclusion. With that in mind, operative paragraph 4 of the resolution stated that it was essential and urgent for Iran to demonstrate that it had not diverted nuclear material for non-peaceful purposes. That wording reflected Article 18 of Iran's safeguards agreement. Iran had been given until the end of October 2003 to take all necessary actions to allow its compliance with its safeguards agreement to be verified.

49. Operative paragraph 7 requested the Director General to submit a report in November 2003, or earlier if appropriate, to enable the Board to draw definitive conclusions. It was his country's firm understanding that the Board would be in a position to draw such conclusions no later than at its November 2003 meetings. The United States expected the report to be available at least two, preferably three weeks prior to the meeting, to allow Board members time to study it carefully and draw conclusions. That should not be a problem unless Iran delayed its co-operation until the last minute or beyond. As the Director General had made clear, there was no obvious reason why that co-operation could not be provided quickly, allowing a rapid resolution of the issue. Iran should seize the opportunity to answer all outstanding questions and document the history, nature and purposes of its nuclear programme.

50. He endorsed the request by the Governor from Canada that the text of the resolution be made public and requested that the Director General's report also be released. The publication of that document had been rendered all the more important by the tenor of the statement by the representative of Iran, which had consisted entirely of political invective, threats and other erroneous statements and had failed to address the technical issues before the Board. Consequently, his country felt it was inappropriate that that statement be incorporated in the record of the meeting.

51. Mr. JENKINS (United Kingdom) welcomed the adoption of the resolution which, although it was not to the full satisfaction of the Board, was the best that could be achieved in the time available.

52. In response to comments that had been made, he pointed out that the motives of the United Kingdom in tabling the draft resolution contained in document GOV/2003/66 and in supporting the resolution just adopted had not been political. The United Kingdom did not wish to victimize or bully any State but to enhance the Agency's ability to verify non-diversion of safeguarded nuclear material. Having already failed twice to comply with its safeguards obligations, Iran had also failed to resolve the very serious questions surrounding its nuclear activities and to offer full transparency, thereby seriously undermining the Agency's confidence in its intentions.

53. He expressed the hope that Iran would respond positively and fully to the resolution, in particular to the call to suspend enrichment-related activities, and urged third countries to co-operate to resolve outstanding issues.

54. His country looked forward to the Director General's report in November 2003 and hoped that it would be circulated at least two weeks prior to the Board's November meetings in order to allow for analysis and consultations. It also trusted that the Board would subsequently be able to draw definitive conclusions.

55. Furthermore, it felt that it would be inappropriate to incorporate the statement by the representative of Iran in the record of the meeting and endorsed the proposal that the resolution be made public.

56. Mr. MÁRQUEZ MARÍN (Venezuela)* said that only the Agency could provide a detailed and politically neutral technical analysis of the issue under discussion.

57. While recognizing the steps that Iran had taken to resolve outstanding issues, Venezuela called upon it to intensify and accelerate its co-operation in order to dispel all remaining doubts as to the nature of its nuclear programme. There should be no unnecessary pressure or the imposition of deadlines which might not allow sufficient time to gather and analyse the information required to provide reliable assurances. His country was concerned that the resolution set deadlines that could be unrealistic. The utmost respect for the sovereignty and dignity of Iran should be exercised in dealing with the issue. Finally, he urged all parties to maintain a spirit of co-operation and to resolve the matter through constructive dialogue.

58. Mr. SRIWIDJAJA (Indonesia)* expressed the hope that a spirit of consensus would continue to prevail in the Board's work in the future.

59. The CHAIRPERSON took it that the Board agreed to the text of the resolution and the Director General's report being made public.

60. It was so decided.

7. Any other business

61. Mr. MORENO (Italy)*, speaking on behalf of the European Union, the acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, and the associated countries of Bulgaria, Romania and Turkey, said that both the Agency and its Member States would benefit from the Agency's future adoption of the euro as the legal budgeting and accounting currency for the Regular Budget and the Working Capital Fund, including the audited accounts and financial statement. The European Union appreciated the efforts and co-operation of the Secretariat in studying issues related to the adoption of the euro in 2006 and was already working closely with it and Member States to reach a comprehensive and mutually satisfactory solution as soon as possible. Accordingly, it was organizing a technical expert mission from the European Commission to examine the conversion issue with the Secretariat.

62. Ms. STOKES (Australia), clarifying the comment she had made earlier in the week in the context of the discussions of safeguards implementation in Iran concerning safeguards non-compliance in Romania, said that, in 1992, following a change of government, the Agency had been invited to carry out a special inspection to investigate apparent safeguards breaches that had occurred under the previous government. The Agency had confirmed that undeclared separation of a very small quantity of plutonium had taken place in 1985. The Board had reported that incident as non-compliance, even though it had occurred under a previous regime and the new Romanian Government was co-operating fully with the Agency. The Board had expressed its appreciation to the Romanian Government for having brought the matter to the Agency's attention. Australia believed that Romania had set a fine example of the co-operation and transparency that all Member States were expected to provide to the Agency.

63. The CHAIRPERSON said that her informal consultations had revealed that there appeared to be broad support for the approach she had proposed at the June meetings of the Board to the elaboration of the draft resolution on the Agency's work for submission to the United Nations General Assembly.

- Tributes

64. The CHAIRPERSON paid tribute to those who had left or would be leaving Vienna shortly: Ambassador Shoukry, the Governor from Egypt, who had been with the Agency since 1999 and had served as Chairman of the Group of 77 and China and Vice-Chairman of the Board; Mr. Christos Alexandris, the Resident Representative of Greece; and Mr. Hoang Van Nha, the Resident Representative of Vietnam. Members of Permanent Missions who would be leaving were Ms. Barbara Gray from Canada, and Mr. Jasem Al Beshara and Dr. Mohammed Al-Ramadhan of Kuwait. On behalf of the Board she wished them all well for the future.

65. Finally, she extended the Board's best wishes for the future to Mr. Victor Mourogov, who had been Deputy Director General for Nuclear Energy since 1996 and under whose astute leadership the Department of Nuclear Energy had been able to boast of many notable achievements.

The meeting rose at 5.40 p.m.