

IAEA Board of Governors
Record of the 1084th Meeting
GOV/OR.1084

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Expressions of condolences

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 1084th Meeting

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[*] GOV/2003/78.

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. NÚÑEZ GARCÍA-SAÚCO		Chairman (Spain)
Ms. KELLY	_____	Argentina
Ms. STOKES		Australia
Mr. NOIRFALISSE		Belgium
Mr. CORDEIRO		Brazil
Ms. HALL		Canada
Mr. ZHANG Yan		China
Mr. CARRERA DORAL	}	Cuba
Ms. DÍAZ GARCÍA		
Mr. VACEK		Czech Republic
Mr. CHRISTENSEN		Denmark
Mr. RAMZY		Egypt
Mr. THIEBAUD		France
Mr. HONSOWITZ		Germany
Mr. RÓNAKY		Hungary
Mr. SREENIVASAN		India
Mr. MORENO		Italy
Mr. TAKASU		Japan
Mr. Chang-beom CHO		Korea, Republic of
Mr. GULAM HANIFF		Malaysia
Ms. ESPINOSA CANTELLANO		Mexico
Mr. KOP		Netherlands
Ms. BRIDGE		New Zealand
Mr. UMAR		Nigeria
Mr. NAQVI		Pakistan
Mr. HALPHEN PÉREZ		Panama
Mr. PAULINICH VELARDE		Peru
Mr. NIEWODNICZAŃSKI		Poland
Mr. BERDENNIKOV		Russian Federation
Mr. KURDI		Saudi Arabia
Mr. MINTY		South Africa
Mr. DE MIGUEL ÁLVAREZ		Spain
Mr. AHMAD		Sudan
Ms. BEN AMOR MISSAOUI		Tunisia
Mr. O'SHEA		United Kingdom of Great Britain and Northern Ireland
Mr. BRILL		United States of America
Mr. NGUYEN TRUONG GIANG		Vietnam
Mr. ELBARADEI	_____	Director General
Mr. ANING		Secretary of the Board

Representatives of the following Member States attended the meeting:

Albania, Algeria, Angola, Armenia, Austria, Azerbaijan, Belarus, Bolivia, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Chile, Colombia, Croatia, Cyprus, Estonia, Finland, Greece, Guatemala, Holy See, Indonesia, Islamic Republic of Iran, Ireland, Israel, Jordan, Kazakhstan, Kenya, Kuwait, Lebanon, Libyan Arab Jamahiriya, Lithuania, Luxembourg, Malta, Morocco, Namibia, Norway, Philippines, Portugal, Romania, Serbia and Montenegro, Singapore, Slovakia, Slovenia, Sweden, Switzerland, Syrian Arab Republic, Thailand, The Former Yugoslav Republic of Macedonia, Turkey, Ukraine, United Arab Emirates, Uruguay, Venezuela, Yemen, Zimbabwe.

Abbreviations used in this record:

HEU	High-enriched uranium
LEU	Low-enriched uranium
MOX	Mixed oxide
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
R&D	Research and development
UF ₆	Uranium hexafluoride
WMD	Weapons of mass destruction

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

- Expressions of condolences

1. The CHAIRMAN expressed the sorrow of the Board in connection with the 20 November terrorist attacks in Istanbul, Turkey, and offered the Board's condolences to the bereaved families, including the family of the United Kingdom Consul-General in Istanbul.
2. Mr. ŞAHİNBAŞ (Turkey)* said that, shortly after the tragic events of 15 November, Turkey had been shocked by the 20 November terrorist attacks directed against the United Kingdom Consulate-General and the HSBC bank in Istanbul, which had taken the lives of 27 innocent people and injured some 450 others. His Government strongly condemned those ruthless attacks, which had targeted innocent people, and offered its condolences to the bereaved families. It was determined to bring the perpetrators and their collaborators to justice.
3. Irrespective of its motives, terrorism was evil. However, it would be defeated if the international community stood united
4. Mr. O'SHEA (United Kingdom), having thanked the Chairman for his expression of condolences, said that his country shared the grief of the Turkish people.
5. The United Kingdom Foreign Secretary had stated that the attacks had borne all the hallmarks of terrorist operations perpetrated by Al Qaida and associated organizations. It was to be hoped that other nations would join with his own in sending to the terrorists and those who supported them a clear and unambiguous message of determination not be defeated by terrorism, but rather to fight it.
6. Mr. GULAM HANIFF (Malaysia), speaking on behalf of the Non-Aligned Movement (NAM), condemned the recent terrorist attacks in Iraq and Turkey and offered NAM's condolences to the families of those who had died in the attacks.
7. Mr. TAKASU (Japan) expressed his delegation's condolences and solidarity with the victims of the recent terrorist attacks in Turkey.
8. Mr. BRILL (United States of America) joined in expressing condolences and solidarity following the acts of terrorism perpetrated in Istanbul. The United States stood staunchly with all those who were opposed to terrorism, particularly its friends in Turkey and the United Kingdom.
9. Mr. MINTY (South Africa) said that, like others, his country extended its condolences to citizens of Turkey and the United Kingdom who had been victims of the recent acts of terrorism in Istanbul.
10. Ms. BRIDGE (New Zealand) offered her Government's heartfelt condolences to the United Kingdom and Turkey following the previous day's terrorist attacks in Istanbul.
11. Mr. ZHANG Huazhu (China) condemned the latest terrorist attacks in Istanbul and offered condolences to the Governments of Turkey and the United Kingdom.
12. Mr. MORENO (Italy), speaking on behalf of the European Union, expressed condolences to the United Kingdom and Turkey.
13. Recalling that Italy had also recently been affected by similar acts of terrorism, he requested the representatives of the United Kingdom and Turkey to communicate the condolences of the European Union to their Governments and to the families of the victims of the latest terrorist attacks.

14. Mr. ZNIBER (Morocco)* joined other speakers in strongly condemning the previous day's terrorist attacks in Istanbul and expressing condolences to the Governments of Turkey and the United Kingdom.

15. Mr. SALEHI (Islamic Republic of Iran)*, condemning the previous day's terrorist attacks in Istanbul, expressed his delegation's condolences to the people and Governments of Turkey and the United Kingdom.

3. Nuclear Verification

(a) The conclusion of safeguards agreements and of additional protocols (resumed) (GOV/2003/77)

16. Mr. GULAM HANIFF (Malaysia), speaking on behalf of the Vienna Chapter of NAM, said that NAM had noted the decision of the Government of the Islamic Republic of Iran to conclude an additional protocol to Iran's NPT safeguards agreement with the Agency and to act in accordance with the provisions of the additional protocol pending its entry into force.

17. Ms. HALL (Canada) said her country welcomed Iran's long-awaited decision to conclude an additional protocol and hoped that with time the additional protocol, once in force, would enable the Agency to provide the necessary assurances regarding the absence of undeclared nuclear activities in Iran and to confirm that safeguards were being applied to all the source and special fissionable material in Iran and that such material was not being diverted to nuclear weapons or other nuclear explosive devices. Her country also welcomed Iran's stated decision to implement the additional protocol provisionally pending its ratification.

18. Recent challenges to the non-proliferation regime clearly demonstrated that an INFCIRC/153-based safeguards agreement alone was insufficient for the Agency to be able to provide assurances that a nuclear programme was entirely peaceful; it must be complemented by an additional protocol. Hence the emphasis placed by the Director General, the Board and the General Conference on the desirability of the universal application of additional protocols. All States which had not already done so should conclude and implement additional protocols at an early date.

19. Mr. Chang-beom CHO (Republic of Korea) said his delegation welcomed Iran's decision to conclude an additional protocol and to act in accordance with the provisions of the additional protocol pending its entry into force.

20. His country fully shared the view set out in paragraph 52 of document GOV/2003/75 that, to be able to conclude that Iran's nuclear programme was exclusively for peaceful purposes, the Agency must have a particularly robust verification system in place and that an additional protocol, coupled with a policy of full transparency and openness on the part of Iran, was indispensable for such a system. However, that policy would have to be complemented by the necessary political will.

21. His country hoped that, with full disclosure by Iran, the Agency would soon reach a conclusion about the real nature of Iran's nuclear programme and the correctness and completeness of the declarations made by Iran.

22. Mr. RAMZY (Egypt) said that his Government remained committed to NPT safeguards as a vital element in nuclear non-proliferation and disarmament efforts and that the universalization of NPT safeguards must be pursued as an important step in strengthening the nuclear non-proliferation regime. Egypt would like to see all Member States - without exception - acceding to comprehensive Agency safeguards, the sole guarantee of nuclear non-proliferation at the regional and the international level. It would also like to see those Member States which had a special responsibility for the maintenance of international peace and security taking effective measures - without double standards - to achieve the universalization of NPT safeguards.
23. Egypt attached great importance to the conclusion of additional protocols, but believed that their full potential would not be realized without the universalization of NPT safeguards.
24. Ms. DÍAZ GARCÍA (Cuba) said her country attached great importance to the decision of the Iranian authorities to conclude an additional protocol and hoped that the additional protocol would be ratified as rapidly as Iran's constitutional procedures allowed. It believed that the Iranian authorities' decision would greatly help to dissipate all doubts about the objectives of Iran's nuclear programme.
25. Mr. TAKASU (Japan), expressing the hope that the Board would authorize the Director General to conclude the additional protocol under consideration, said that Japan, which had some time previously launched an initiative aimed at universalization of the Model Additional Protocol, had held ministerial-level consultations and technical discussions with Iran regarding the conclusion and implementation of additional protocols. His country welcomed Iran's decision - taken in response to the resolution adopted by the Board on 12 September - to conclude an additional protocol and was grateful to the Secretariat in that connection and to those other Member States which had helped to bring about a very positive development.
26. It was important for Iran to sign the additional protocol promptly and to implement the necessary ratification procedures with a minimum of delay.
27. Mr. BRILL (United States of America), welcoming the additional protocol under consideration, said that his country hoped that the Islamic Republic of Iran would live up to its pledge to act in accordance with the additional protocol immediately, pending its ratification and entry into force, and to co-operate fully with the Agency in implementing its provisions.
28. The discussions under the Board agenda item "The conclusion of safeguards agreements and of additional protocols" had become a routine event, with Board members welcoming new agreements and protocols and bemoaning the slow progress being made in putting agreements and protocols into force. However, there was nothing routine about the additional protocol under consideration. Strengthening the safeguards system was not just a selfless act of good citizenship for which one should be patted on the back. It was essential for the security of all responsible States that the strengthened safeguards system, with additional protocols at its core, became the safeguards standard. That was the international community's common responsibility, and no effort should be spared to make it happen.
29. Additional protocols provided the Agency with essential tools for addressing undeclared nuclear activities like those described in the Director General's three reports on safeguards implementation in Iran. His delegation would like to think that, if the additional protocol under consideration had entered into force several years previously, Iran would not have been able to hide its secret nuclear activities. However, it was not confident that the Agency would have been able to uncover those activities, even with the tools of the protocol, if there had not been public revelations about them in 2002. Additional protocols could help the Agency to deter non-compliance and to address suspicions of non-compliance, but, without a co-operative and transparent attitude on the part of the country concerned, they could not guarantee that every case of non-compliance would be discovered. Iran had

a long way to go to convince the international community that, in contrast with its past behaviour, it was now committed to co-operation and transparency.

30. Mr. BERDENNIKOV (Russian Federation) said his country had consistently advocated the rapid conclusion by Iran of an additional protocol to its safeguards agreement with the Agency as the most effective way of assuring the international community that the safeguards agreement would in future be scrupulously adhered to. It therefore welcomed the fact that, as the Secretary of Iran's Supreme National Security Council had announced in Moscow on 10 November, Iran had informed the Director General of its readiness to sign an additional protocol and to continue co-operating with the Agency in accordance with its provisions pending its entry into force. It was convinced that the conclusion of the additional protocol under consideration would help to resolve the remaining questions about Iran's nuclear programme and lead to a steady expansion of co-operation between Iran and the Agency and between Iran and other States in the peaceful utilization of nuclear energy.

31. Mr. MINTY (South Africa) said his country welcomed the decision of Iran to conclude an additional protocol to its safeguards agreement with the Agency. It had, like a number of other Board members, consulted intensively with Iran on the issue for some time, and it particularly welcomed that country's voluntary decision to act forthwith as if it had already ratified the additional protocol.

32. South Africa hoped that the decisions taken by Iran would help to allay some of the concerns about its peaceful nuclear energy programme and lead to a new era in Iran's relations with the Agency and the international community.

33. Ms. STOKES (Australia) said that her country would like to see the safeguards system strengthened through the conclusion of additional protocols by all States, especially those with significant nuclear activities.

34. In the case of Iran, the implementation of an additional protocol and continued co-operation with the Agency were essential steps in resolving the issues related to its nuclear activities. Australia welcomed the assurances from Iran that it intended to implement the provisions of the additional protocol under consideration in advance of its ratification.

35. Ms. BRIDGE (New Zealand) welcomed Iran's decision to conclude an additional protocol with the Agency and expressed the hope that the conclusion of the additional protocol would be followed by prompt implementation. She also welcomed Iran's decision to act in accordance with the provisions of the additional protocol pending its entry into force.

36. Recalling that in his introductory statement the Director General had noted that 114 States had not yet concluded additional protocols, she said that New Zealand would like to see many of them concluding additional protocols without delay.

37. Ms. ESPINOSA CANTELLANO (Mexico) said that her country, a traditional supporter of disarmament and non-proliferation, welcomed the fact that the Latin America and Caribbean region had been officially declared the world's first densely populated nuclear-weapon-free zone at the 18th General Conference of the Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (OPANAL), which had been held in Havana in November 2003. The declaration had been a clear demonstration of the entire region's commitment to the non-proliferation of nuclear weapons and global disarmament, and Mexico believed that the international community should intensify its efforts to establish nuclear-weapon-free zones elsewhere in the world.

38. She welcomed the decision of Iran to conclude an additional protocol and urged Iran to implement the additional protocol's provisions immediately as a confidence-building measure, in accordance with the policy of openness to which it had committed itself.

39. For its part, Mexico was consulting with the Agency with a view to the early conclusion of an additional protocol.
40. Mr. ZHANG Yan (China), expressing support for the conclusion of the additional protocol under consideration, said that Iran's decision to act in accordance with the additional protocol pending its entry into force showed that co-operation between Iran and the Agency had entered a new phase. It was to be hoped that Iran's positive attitude would persist.
41. Additional protocols were an important element of the non-proliferation regime, and the conclusion of an additional protocol by Iran would help to strengthen that regime and underpin Iran's legitimate right to use nuclear energy for peaceful purposes.
42. States which had not yet concluded additional protocols should do so as soon as possible, as part of a joint effort to strengthen the non-proliferation regime.
43. Mr. MORENO (Italy), speaking on behalf of the European Union, welcomed the decision of the Islamic Republic of Iran to conclude an additional protocol as an important step towards a policy of transparency and co-operation with the Agency. Conclusion of the additional protocol under consideration would represent a turning-point in the relationship between Iran and the Agency and a positive development for the non-proliferation regime.
44. Mr. ZNIBER (Morocco)* said that his country had recently informed the Director General of its intention to conclude an additional protocol to its safeguards agreement with the Agency in the near future. It considered an additional protocol to be important for ensuring total transparency of its nuclear activities, which were continuing to expand. The conclusion of an additional protocol would be consistent with Morocco's long-standing support for international disarmament and non-proliferation and with the current efforts to strengthen the legislative and regulatory infrastructure for nuclear safety and security in Morocco. His delegation hoped to begin discussions with the Secretariat on the conclusion of an additional protocol soon.
45. He welcomed the fact that Iran had decided to conclude an additional protocol and also the decision which the Board had taken during the previous meeting with regard to Panama.
46. Mr. PAULINICH VELARDE (Peru), welcoming the decision of the Government of Iran to conclude an additional protocol, said that it had been a historic step which would help to enhance Iran's credibility in the international community.
47. Mr. SALEHI (Islamic Republic of Iran)* said that the commitment of his country to safeguards remained firm and that its decision to conclude an additional protocol in order to allay possible concerns was transparent. The Board's mode of operation should be equally transparent. However, it was still not clear what decision the Board would reach on the matter in hand.
48. Iran's commitment had been demonstrated by the statement issued in Tehran on 21 October 2003 at the end of a visit of the Foreign Ministers of France, Germany and the United Kingdom. However, the acceptance by Iran of the additional protocol under consideration and its acceptance of any resolution that might now be adopted by the Board were two parts of a package and should represent a joint effort to advance the process of co-operation, not to hinder it.
49. His delegation was discouraged that, despite the recent positive developments which had been welcomed by most Board members, one delegation had gone beyond the limits of prudence and made a self-serving statement. Such statements did not set the right tone for the future.
50. The CHAIRMAN, summing up, said that several members had welcomed Iran's decision to conclude and fully implement an additional protocol to its safeguards agreement. They had noted

Iran's intention to co-operate with the Agency in accordance with the provisions of the additional protocol pending its entry into force. Some members had encouraged Iran to complete the procedures necessary for the signing and entry into force of the additional protocol as soon as possible.

51. Some speakers had voiced concern at the slow progress of conclusion and entry into force of additional protocols. They had expressed the view that States parties to safeguards agreements that had not yet done so should conclude and bring into force additional protocols as soon as possible.

52. In that regard, the Board had welcomed the announcements by Mexico and Morocco that they intended to sign additional protocols shortly.

53. A view had been expressed about the importance of achieving universality of the Agency's comprehensive safeguards, as had concern that failure to achieve it could seriously undermine the credibility of the non-proliferation regime.

54. With regard to the additional protocol to the safeguards agreement with the Islamic Republic of Iran, he assumed that the Board wished to take the action recommended in paragraph 6 of document GOV/2003/77 and authorize the Director General to conclude with the Islamic Republic of Iran and subsequently implement the additional protocol that was the subject of that document.

55. It was so decided.

(b) Implementation of the NPT safeguards agreement in the Islamic Republic of Iran: Report by the Director General (GOV/2003/75)

56. Mr. BRILL (United States of America) said that the way in which the Agency dealt with the discovery of so much of Iran's hitherto entirely secret nuclear programme would be a watershed for the global nuclear non-proliferation regime. The Board was under an obligation to look closely at the facts which had now been established and draw conclusions consistent with its responsibilities.

57. Iran was not a State which had been caught committing a merely technical infraction of its obligations. The breaches by Iran of its obligations had been brazen and systematic. The previous week, at a technical briefing, the Deputy Director General for Safeguards had made it clear that the case of Iran was a most extraordinary one. The case involved egregious conduct by a country that was both a Member State of the Agency and a party to the NPT. Fortunately, the case was an exceptional one, very few other States having done what Iran had done, and the Agency must ensure that it remained an exception and did not become a model for other States to follow.

58. Iran was not a State which had tried in good faith to meet its safeguards obligations but had failed, through an honest mistake or an innocent oversight. The Director General's latest report made it clear that Iran had violated its safeguards obligations for over a decade as a matter of governmental policy; it had systematically and deliberately deceived the Agency and the international community year after year.

59. Iran was not a State which, when informed that its conduct had been inconsistent with its obligations, had taken prompt and conscientious remedial action. When the truth about its secret nuclear programme had begun to emerge, it had immediately adopted a cynical strategy of further denial, delay and deception. In May 2003, a Vice-President of Iran had visited Vienna and addressed the Board. It was interesting to compare the transcript of the discussion in the Board with the verified facts in the Director General's latest report. Clearly, the Iranian representative had been sent to Vienna in order to prevent the Agency from uncovering the truth, and he was not the only Iranian official who

had made false statements in recent months in an attempt to maintain the deception practised over so many years.

60. Iran was not a State which, having violated its safeguards obligations and lied in an attempt to cover up its non-compliance, had ultimately accepted responsibility for its actions in a manner which generated confidence regarding its compliance in the future. On the contrary, it had refused to accept any responsibility whatsoever for its actions. Rather than admit that what it had done had been wrong and express regret, it was even now trying to shift the blame to others. In statements to the press, approaches to other governments and explanations given at the technical briefing of the previous week, Iran had claimed that it had “had to” violate its safeguards agreement for over a decade and had “had to” lie to the Agency and the international community. All the violations were allegedly someone else’s fault. If Iran would not acknowledge that its conduct had been wrong and that it was responsible for its own choices and actions, how much could the international community trust its assurances now?

61. What were the facts of the case? In paragraphs 46 and 47 of his latest report, the Director General stated that:

“Iran has now acknowledged that it has been developing, for 18 years, a uranium centrifuge enrichment programme, and, for 12 years, a laser enrichment programme. In that context, Iran has admitted that it produced small amounts of LEU using both centrifuge and laser enrichment processes, and that it had failed to report a large number of conversion, fabrication and irradiation activities involving nuclear material, including the separation of a small amount of plutonium.

“Based on all information currently available to the Agency, it is clear that Iran has failed in a number of instances over an extended period of time to meet its obligations under its Safeguards Agreement with respect to the reporting of nuclear material and its processing and use, as well as the declaration of facilities where such material has been processed and stored.”

62. In paragraph 48 of his report, the Director General listed categories of recently identified failures on the part of Iran to comply with its safeguards obligations. The number of individual failures was undoubtedly very large, but that was not the point on which the Board should be focusing.

63. The Board should be focusing on what conclusions to draw from the conduct of Iran as described by the Director General. In the Director General’s opinion, Iran had committed “breaches of its obligation to comply with the provisions of the Safeguards Agreement”. Did the phrase “breaches of its obligation to comply” differ from “non-compliance with its obligations”? Any objective reader of the Director General’s report could be in no doubt that the conduct of Iran, stretching back for well over a decade, constituted non-compliance with its safeguards agreement. If repeated failure to report as required, to declare nuclear facilities as required and to co-operate as required and repeated lying to the Agency did not constitute non-compliance with a safeguards agreement, it was difficult to see what did. If the Board did not conclude that non-compliance had occurred, it would send to States throughout the world the message that they too could disregard their safeguards obligations and pursue weapons of mass destruction (WMD) without fear of repercussions.

64. Iran had established a capability for separating plutonium. It was true that only small amounts of plutonium had been separated, in bench-scale experiments, but it was also true that every nuclear Power with plutonium-based weapons had begun by establishing a plutonium separation capability through bench-scale experiments. It was therefore reasonable to ask why Iran was working on plutonium separation.

65. At the technical briefing of the previous week, the Deputy Director General for Safeguards had stated that plutonium might be present in a country as waste; alternatively it could be in MOX fuel or for nuclear weapons. Iran had surely not embarked on plutonium separation merely in order to produce waste, and it had never said that it intended to produce MOX fuel. That left just one possibility - the pursuit of nuclear weapons.

66. The report under consideration also made it clear that Iran was seeking to enrich uranium through laser technology. Why, however, should a developing country with severe and growing economic problems and a very limited technological base employ a technology so unlikely to serve power production purposes? And why, if Iran had employed the technology for legitimate purposes, had it lied to the Agency about the activities in question? The only plausible explanation was that laser enrichment was a short-cut way of producing the relatively limited amounts of HEU needed for nuclear weapons.

67. Following discussions with other delegations, his delegation had no doubt that almost all Board members believed that the actions of Iran constituted non-compliance with its safeguards agreement. However, some members were not willing to say so openly. Some acknowledged that Iran's actions had amounted to non-compliance at the time when those actions had occurred, but they said that Iran had now admitted its failures and taken remedial action. Non-compliance in the past, they asserted, did not constitute non-compliance within the meaning of Article XII.C of the Agency's Statute. In his delegation's view, however, that assertion had no legal basis and was inconsistent with the action taken by the Agency with regard to Romania in 1992, when the then Director General had reported Romania's past non-compliance to the Secretary-General of the United Nations. Moreover, accepting the view of those Board members would create a dangerous precedent: in the future, if a State managed to conceal its safeguards violations for a substantial period, it would enjoy permanent complete immunity from the consequences of its actions if, after being caught or - more disturbingly - once its nuclear programme was fully in place, it agreed to co-operate with the Agency. There would be powerful incentives for concealment. The idea that non-compliance in the past should not be regarded as non-compliance was wrong both on legal and on policy grounds.

68. Some other Board members had suggested that, since Iran had now made a credible commitment to full co-operation with the Agency, its past conduct should be overlooked for fear that it might relapse into its former pattern of violations or do something even worse. Iranian officials had indeed been threatening serious consequences if Iran was held responsible for its past actions.

69. For example, Iran's Ambassador to Austria had recently been quoted in the press as warning of "unpredictable consequences" and of saying that "Things could easily get out of control". Iran's position was that it had "turned over a new leaf" and was wholly committed to the Agency's safeguards system - except, apparently, the provisions relating to violations. The unwillingness of Iran to accept those provisions called its good faith further into question. Neither the Board nor the Secretariat knew whether Iran had "turned over a new leaf". So much of what Iran had said over the past year about its nuclear programme had turned out to be false that there was no rational basis for believing its assurances now. No serious observer of Iran's deceptive behaviour could accept those assurances.

70. Referring to paragraph 50 of the report under consideration, he said that the words "Iran's policy of concealment lasted until last month" were misleading. They apparently did not mean that, in the Secretariat's view, Iran's policy of concealment had ended during the previous month. The Secretariat did not yet know whether Iran's declaration was correct and complete, or whether there might be still further undeclared facilities and activities. That was why the Secretariat was continuing its investigations.

71. In paragraph 52, it was stated that “To date, there is no evidence that the previously undeclared nuclear material and activities referred to above were related to a nuclear weapons programme.” At the previous week’s technical briefing, the Deputy Director General for Safeguards and the Director of the Office of Legal Affairs had said that they regarded the word “evidence” as virtually synonymous with “proof”.

72. It was unfortunate that such a key point of the Secretariat’s assessment had been stated in a form which lent itself readily to misinterpretation. In the United States, governmental officials and academic experts had expressed surprise that the Agency was dismissing important facts disclosed by its own investigations as irrelevant to the question of whether Iran had a nuclear weapons programme.

73. It was all the more unfortunate because the Agency’s investigations had been thorough and impartial. Although the initial confusion had been mitigated as a fuller understanding of the Director General’s report as a whole had spread, it would take time to repair the damage to the Agency’s credibility caused by the misleading words “To date, there is no evidence that ...”.

74. His country fully recognized that Iran had taken a positive step by agreeing to sign an additional protocol and to implement it provisionally pending its entry into force. It welcomed that action and commended Iran for taking it - and also for sharing information with the Agency and granting the Agency greater access to its facilities. However, as the Director General and the Deputy Director General for Safeguards had said the previous week, when a country had both a comprehensive safeguards agreement and an additional protocol in force the Agency depended on that country’s attitude being co-operative and transparent - rather than legalistic and argumentative. It was not yet clear whether Iran’s attitude would be co-operative and transparent.

75. His country hoped that it would be possible for the Board to draw the “definitive conclusions” referred to in operative paragraph 7 of the resolution adopted by it on 12 September without excessive delay. Iran had clearly been in non-compliance with its safeguards obligations. Whether the disclosures which Iran had made and the remedial actions which it had taken or was taking would be sufficient for the conclusion to be drawn that it had brought itself into compliance with those obligations remained unclear; everything would depend on the Secretariat’s ongoing verification activities. His delegation looked forward to reviewing the status of those activities at the Board’s session in March 2004 or at such earlier time as the progress of those activities might make appropriate.

76. The DIRECTOR GENERAL said that he would like to put the record straight regarding the words “To date, there is no evidence that ...” in paragraph 52 of the report under consideration.

77. During the past year, the Secretariat had used the word “evidence” repeatedly in connection with Iraq, stating that it had no evidence that Iraq had resuscitated its nuclear weapons programme, and no objection had been made. Black’s Law Dictionary stated that “‘proof’ and ‘evidence’ may be used interchangeably” and that “evidence is any species of proof ... presented ... through the medium of witnesses, records, documents, [etc.] ...”. It also stated that “proof is the effect of evidence”.

78. What the Secretariat had meant in stating that there was “no evidence” was that it had not uncovered facts and did not possess documents indicating that what Iran had done was linked to a nuclear weapons programme. The Secretariat had not said that it had come to the conclusion that the Iranian nuclear programme was exclusively for peaceful purposes.

79. In his view, making an issue out of possible differences in meaning between “evidence” and “proof” was disingenuous. Also, he took exception to the suggestion that the Agency’s credibility had been damaged. The credibility of the Agency depended on its continuing to be impartial and factual. The Agency had been criticized by some before the recent war in Iraq for its conclusions relating to

Iraq. It had stood its ground, however, and in his view its credibility had not only not been damaged, but had been enhanced. The Agency did not jump to conclusions or make leaps of faith, and it would continue acting in that spirit as long as he was at its helm.

80. Mr. GULAM HANIFF (Malaysia), speaking on behalf of the Vienna Chapter of the Non-Aligned Movement (NAM), said that the Director General's report in document GOV/2003/75 described past failures of Iran which NAM had noted with concern. At the same time, the report also described the increased co-operation between Iran and the Agency and made it clear that Iran was intensifying that co-operation by taking the measures necessary in order to resolve issues as it had been called upon to do by NAM.

81. On 12 September, in resolution GOV/2003/69, the Board had decided that "it is essential and urgent in order to ensure IAEA verification of non-diversion of nuclear material that Iran remedy all failures identified by the Agency and cooperate fully with the Agency to ensure verification of compliance with Iran's safeguards agreement by taking all necessary actions by the end of October 2003". NAM welcomed the fact that since then Iran had, inter alia:

- (i) provided a full declaration of all imported material and components relevant to its enrichment programme, including imported equipment and components stated to have been contaminated with HEU particles, and collaborated with the Agency in identifying the sources and the dates of receipt of the imports and the locations where they had been stored and used in Iran;
- (ii) granted the Agency - beyond its legal obligations - unrestricted access, including access for environmental sampling, to the Kolehduz industrial complex and whatever other locations the Agency had deemed it necessary to visit for the purpose of verification of the correctness and completeness of Iran's declarations;
- (iii) acknowledged and resolved issues regarding the conclusion of Agency experts that, in the light of the present state of development of Iran's enrichment technology, the process testing of gas centrifuges must have taken place;
- (iv) provided complete information regarding the conduct of uranium conversion experiments; and
- (v) provided other information, including environmental sampling results, and explanations and taken other steps deemed necessary by the Agency in order to resolve all outstanding issues involving nuclear materials and nuclear activities.

82. NAM was pleased that Iran had actively co-operated with the Agency and remedied all failures and taken the urgent and essential actions required of it by the Board, even though some of those actions went beyond Iran's current legal obligations. NAM was also pleased that Iran's co-operation had resulted in the Agency stating that there was no evidence to date that the previously undeclared nuclear material and activities were related to a nuclear weapons programme.

83. On 26 September, the NAM Foreign Ministers had welcomed the increased co-operation between the Agency and Iran, had encouraged Iran to continue co-operating with the Agency and had invited all States to assist the Director General in establishing, in consultation with Iran, a co-operation framework within which all outstanding issues might be resolved. NAM would like the process to lead to an appropriate and clear conclusion as soon as possible.

84. NAM welcomed the statement made at the end of their recent visit to Iran by the Foreign Ministers of France, Germany and the United Kingdom, which spoke of agreement on measures aimed

at the settlement of all outstanding Agency issues with regard to the Iranian nuclear programme and at the enhancing of confidence in the interest of peaceful co-operation in the nuclear field.

85. NAM had noted that the Foreign Ministers had committed their countries to co-operating with Iran in promoting security and stability in the region through - inter alia - the establishment of a WMD-free zone in the Middle East, would welcome the speedy establishment of a WMD-free zone in the Middle East in accordance with the relevant resolutions of the United Nations Security Council and the General Assembly, would like all parties concerned to take urgent practical steps to that end, and urged Israel to promptly place all its nuclear facilities under comprehensive Agency safeguards.

86. NAM had noted the announcement by Iran that, as a confidence-building measure, it would voluntarily suspend all uranium enrichment activities and welcomed Iran's intention to conclude an additional protocol to its safeguards agreement with the Agency and to act in accordance with the provisions of the additional protocol pending its entry into force.

87. NAM believed that all Member States had an inalienable right to develop atomic energy for peaceful purposes and attached great importance to the achievement of an appropriate balance between the rights and obligations of Member States.

88. NAM hoped that the increased co-operation between Iran and the Agency would continue, with the support of other Member States, and that it would soon result in the full settlement of all issues through constructive dialogue within the framework of the Agency. It was of paramount importance to NAM that any Board decision be taken on the basis of consensus, in accordance with the spirit of multilateralism, and NAM stood ready to help bring about a consensus-based decision.

89. Lastly, NAM hoped that Member States would respect the technical nature of the Agency's role as defined in the Statute and, with regard to the verification mandate of the Agency, believed that its verification activities should conform to the safeguards agreements concluded with Member States.

90. Mr. SALEHI (Islamic Republic of Iran)* said that the process of peacefully resolving the outstanding issues connected with his country's nuclear programme had got under way. Unfortunately, a few countries appeared to be intent on disrupting that process. They were playing a game to which, however, there might be unexpected reactions. Iran's firm commitment to full co-operation with the Agency would not be strengthened by devious political pressures. The important thing now was to maintain the good will that had been created.

91. Mr. NASERI (Islamic Republic of Iran)* said that, although the United States was contesting facts and conclusions set out in the Director General's report, it was absolutely clear that Iran was not guilty of non-compliance as envisaged in Article XII.C of the Agency's Statute. That had been firmly established, and it was backed by the opinions of some of the world's most renowned international lawyers. At the same time, his country was unhappy about the use of the word "breaches" in addition to "failures" in the report.

92. Some countries were clearly suspicious of Iran's intentions. In that connection, it should be borne in mind that the Agency was not a criminal court empowered to look into motives or intentions; the Agency's job was to determine whether nuclear material had been diverted for military purposes. That having been said, he wished to stress that Iran's intention all along had been to engage in the exclusively peaceful uses of nuclear energy and technology.

93. Iran had not been putting the blame for its failures on others, but it had - justifiably in his view - drawn attention to the major impediments which it had encountered in pursuing its peaceful objectives in the nuclear field. Iran's approaches to various countries in the Western world and even to certain friendly countries elsewhere had been rejected, so that it had become impossible for Iran to exercise its

right to enjoy the benefits of the peaceful utilization of nuclear energy and technology. Iran had had no option but to pursue a course that involved “failures” at a certain stage.

94. What really counted, however, was how things now stood. Unfortunately, the attitude of the United States was a backward-looking one, despite what appeared to be a very strong body of opinion in favour of looking to the future. In his view, by “coming clean” and taking all the corrective measures that had been requested of it, Iran had provided the Board with an opportunity to be forward-looking despite the wishes to the contrary which some Member States might have.

95. Iran would continue on the path of co-operation and openness, and he was convinced that no evidence of diversion by Iran of nuclear material to non-peaceful uses would be found - simply because no such diversion had occurred.

96. In his view, prudence called for emphasizing the positive that now existed rather than the negative that belonged to the past. Doing so would be in the interests of the Agency and of the international non-proliferation regime. Moreover, it would be conducive to conciliation in Iran’s part of the world, which might help in dealing with a number of situations.

97. Mr. O’SHEA (United Kingdom) said that the wealth of new information contained in the report under consideration meant that the Board now had a much better understanding of the extent of Iran’s hitherto undeclared nuclear activities.

98. His country’s reactions to the report were as follows:

- his country warmly welcomed the decision of Iran at last to provide a full picture of its nuclear activities and any additional clarifications the Agency might deem necessary, to sign - and act forthwith in accordance with - an additional protocol to its safeguards agreement with the Agency, and to suspend enrichment-related and reprocessing activities;
- it wished to see the Iranian commitments in question implemented fully, to see any ambiguities relating to them clarified, and the Agency able to resolve all outstanding issues - with verification by the Agency of the suspension of enrichment-related and reprocessing activities and of the completeness of the suspension; and
- it condemned the multiple serious breaches of safeguards - including many which concerned the most sensitive aspects of the nuclear fuel cycle, including enrichment and reprocessing, and which had only recently come to light - and deplored the concealment by Iran of many of its nuclear activities.

99. In responding to the Director General’s latest report, the Board should, on one hand, make very clear the seriousness of its concern at Iran’s past failures and, on the other, provide for future co-operation between Iran and the Agency. It was essential for the integrity of the NPT that past breaches of safeguards obligations be condemned in appropriate terms, but it was also essential that the Board not undermine the framework of co-operation now being established. Indispensable elements of such a framework were “a particularly robust verification system” and full transparency and openness on the part of Iran, and the framework would have to be in place if the Agency was to be able to move towards a position where it could report a conclusion about whether Iran’s nuclear programme was exclusively for peaceful purposes - a conclusion which the Director General had explicitly declined to draw in his latest report.

100. It was important to illustrate what the Board now knew about the failures of Iran to meet the obligations arising out of its safeguards agreement with the Agency. Among the most serious breaches were the following:

- the undeclared testing - using imported UF₆ - of centrifuges at the Kalaye Electric Company, which had been denied by the Iranian authorities until barely a week before the deadline set by the Board in September;
- a very substantial undeclared laser enrichment programme, initial information on which (and on the undeclared uranium metal used) had been provided only during the past month, and then only incrementally;
- the undeclared irradiation of targets containing uranium that the Iranian authorities had previously reported as a process loss, followed by the undeclared extraction of plutonium from those targets in an undeclared hot cell facility, initial information on the activities in question being provided to the Secretariat only during the past month; and
- further extensive and undeclared work on processes for uranium conversion, including the use of material that had previously been reported to the Agency as a process loss and covering the production of practically all of the materials important for uranium conversion in kilogram quantities - combined with an admission that the uranium metal to be produced in significant quantities at the Esfahan Uranium Conversion Facility had been intended not only for the production of shielding material, as previously stated, but also for use in a laser enrichment programme.

101. Iran had been obliged to concede that the information and explanations offered by it hitherto, regarding essentially every aspect of its nuclear fuel cycle activities into which the Agency had probed, had been incomplete or incorrect.

102. The United Kingdom recognized that, in respect of each of the recently acknowledged breaches, Iran had now agreed to provide the missing accountancy reports and facility design information and to make all the nuclear materials concerned available for verification - and naturally it welcomed Iran's decision in that respect.

103. At the same time, other issues identified in September remained open. For example, the Secretariat was using recently provided information on the centrifuge components which Iran claimed had been contaminated with HEU in its continuing investigation of the source of the HEU and LEU particles found both at Natanz and at the Kalaye Electric Company. Questions also remained about the planned heavy water research reactor, the numbers of hot cells associated with it, and the R&D work on which the relevant programme was based.

104. His delegation believed that the report under consideration pointed to what the Director General had described as a pattern and policy of concealment and justified the Director General in saying that Iran's co-operation had been limited and reactive and that information from the Iranian authorities had been slow in coming and contradictory. As the Director General had noted, a number of the many breaches of Iran's safeguards obligations had related to the most sensitive aspects of the nuclear fuel cycle, including enrichment and reprocessing - processes that were sensitive because they were involved in the production of direct-use nuclear material.

105. The Director General had stated that so far he had no proof that the very extensive range of clandestine activities described in the report was related to a weapons programme, but he had added that, given Iran's past pattern of concealment, it would take some time before the Agency was able to conclude that Iran's programme was exclusively for peaceful purposes.

106. His Government had considered carefully the question of what action should be taken against Iran, including action vis-à-vis the United Nations Security Council, in the light of the serious Iranian failures set out in the report. It had concluded that its immediate priority should be to build on Iran's new approach and to ensure that it was sustained.

107. His Government was proceeding on the assumption that the declaration by Iran of its past activities was complete and that Iran would in future co-operate fully with the Agency. Should there be any further significant breaches reported by the Agency, or evidence of further concealment, his Government would have no option but to support the submission of a report by the Agency to the Security Council.

108. Accordingly, the United Kingdom believed that:

- Iran must take all the corrective measures anticipated in the report and give full and sustained co-operation to the Agency in implementing its declared new policy of full disclosure and unrestricted access, so that there could be no doubt about the transparency and openness necessary if the Agency was to undertake the considerable work required in order to provide and maintain safeguards assurances;
- Board authorization of the additional protocol for Iran must be quickly followed by Iran's formal ratification of the protocol, and in the meantime Iran must act fully in accordance with the protocol's provisions - both in terms of the urgent provision to the Secretariat of the information specified by it and in terms of ensuring access on the basis of the Secretariat's assessment of all of the information then available to it; and
- the continued complete suspension of all enrichment-related and reprocessing activities must be verified by the Agency.

109. A great deal of work would be involved in: resolving all the outstanding issues (for example, in verifying declarations about Iran's recently acknowledged breaches); answering unresolved questions (for example, questions about contamination with enriched uranium); Iran's provision of comprehensive declarations in accordance with the additional protocol; and then the completion of appropriate follow-up actions. It would take a considerable time for Iran to rebuild a track record of compliance and thus restore international confidence in its nuclear activities. While that process was going on, it was essential that the suspension of enrichment-related and reprocessing activities be fully maintained and verified. In fact, that suspension would have to be maintained until a long-term solution providing all parties with satisfactory assurances about their concerns had been found.

110. Successful rehabilitation of Iran's nuclear reputation should then open the way to a dialogue on the basis for longer-term co-operation.

111. Mr. BERDENNIKOV (Russian Federation) commended the Agency on the fruitful work done by it pursuant to the resolution adopted by the Board on 12 September and thanked the Director General for the exhaustive report contained in document GOV/2003/75. In addition, he said that his country greatly appreciated the efforts of the three European Ministers of Foreign Affairs who, together with the Iranian authorities, had formulated the joint declaration of 21 October, which it hoped would help to settle the issue under consideration and to strengthen the non-proliferation regime. Russia had also been very active in efforts to settle that issue as soon as possible in a mutually acceptable manner based on international law.

112. The fruitful work done by the Agency had been possible not least because of active co-operation by Iran, which had clearly drawn the right conclusions from the Board's July and September deliberations and had convincingly demonstrated its readiness to resolve all the questions with which it had been confronted. For Russia, a key conclusion drawn by the Agency on the basis of information

provided by Iran and of the results of verification activities was that to date there was no evidence that Iran's previously undeclared nuclear material and activities had been related to a nuclear weapons programme.

113. His country attached great importance to the decisions of the Iranian leadership to conclude an additional protocol to Iran's safeguards agreement with the Agency and to suspend Iran's uranium enrichment-related and reprocessing activities. It believed that the implementation of those decisions would substantially reduce the concern of the international community regarding Iran's nuclear programme. At the same time, it realized that the Agency would need some time in order to completely clarify all questions, owing primarily to the fact that, for well-known reasons, Iran had in the past concealed certain aspects of its research and design activities relating to the nuclear fuel cycle.

114. His country hoped that future co-operation by Iran with the Agency and the international community, openness on the part of Iran, the taking by Iran of measures to rectify past failures and - above all - Iran's admission of those failures would help to depoliticize the issue of Iran's nuclear programme, create more favourable conditions for an expansion of the economic ties between Iran and other countries, and result in a non-discriminatory approach to the right of Iran - as a party to the NPT - to enjoy the benefits of the peaceful utilization of nuclear energy.

115. It was in the interests of all that the Secretariat now be allowed to evaluate, calmly and in a balanced manner, the information already at its disposal and to acquire additional data with a view to verifying the completeness of that information. Provisional implementation of the additional protocol pending completion of all the formalities necessary for its entry into force would undoubtedly increase the effectiveness of the Agency's verification activities in Iran.

116. Russia called upon all other interested countries to consider the situation regarding safeguards implementation in Iran in an impartial and balanced manner. The readiness to co-operate and to engage in a dialogue that had been displayed by Iran deserved a positive response. Outmoded confrontational attitudes might not only slow down the process that had got under way in recent months, but even put it into reverse.

The meeting rose at 1.05 p.m.