

**Statement by the United Kingdom
on behalf of the European Union to the IAEA Board of Governors' Meeting
24- 25 November 2005**

Item 3. (c): Other Safeguards implementation issues

1. I have the honour to speak on behalf of the European Union. The Acceding Countries Bulgaria and Romania, the Candidate Countries Croatia¹ and Turkey, as well as the Countries of the Stabilisation and Association Process and potential candidates Albania and Serbia and Montenegro and the Efta countries Iceland and Liechtenstein, members of the European Economic Area, associate themselves with this statement.

2. The EU has taken careful note of the contents of the Director General's latest progress report on the implementation of Iran's NPT Safeguards Agreement [and has listened with interest to the Director-General's oral report on this subject at the start of this session].

3. We once more commend the Director General and the Secretariat for the impartiality and professionalism with which they have pursued investigations into questions arising from Iran's multiple failures, over an extended period of time, to declare nuclear material and activities in accordance with its safeguards obligations.

4. The report suggests to us that since September the progress made towards resolving these questions has been modest. Iran has handed over a number of documents, and has allowed the Agency access to two individuals for interview - and these have shed useful light on the 1987 offer. But details of the mid-1990s offer remain shrouded in uncertainty, and, most significantly, the Agency is no closer than before to a reasonable assurance that no P2 centrifuge programme was conducted

¹ Croatia continues to be part of the Stabilisation and Association Pact



between 1995 and 2002. Moreover, while Iran has allowed access to the Parchin site, it has continued to deny supplementary access to the Lavizan-Shian site, and appears not to have responded to Agency requests for clarification of the nature of projects which could be relevant to its nuclear programme as a follow up to reports relating to equipment, materials and activities which have an application in the nuclear military area. In addition, the Agency appears to be still not in a position to draw final conclusions in relation to various other outstanding questions: the origin of some of the HEU and LEU particle contamination found at various locations in Iran, Iranian statements about plutonium research, Iranian activities at the Gchine uranium mine, and Iran's activities involving polonium.

5. It emerges clearly from the Director General's report that one reason why progress has been modest is that Iranian cooperation remains inadequate. The Director General reiterates that full transparency is indispensable and overdue. Since the Board called in September for the implementation of the transparency measures requested by the Director General, to help resolve outstanding questions and provide the necessary assurances, the EU believes that the Board should view the continuing absence of full transparency with the utmost concern. It is disturbing that a State which practiced a policy of concealment for 18 years should be so reluctant to demonstrate that it no longer has anything to hide. This reluctance makes Iran's claim that its nuclear programme is exclusively peaceful in nature ring hollow.

6. The EU believes that the Board should give full support to the Director General's call for full transparency. Since the Agency is not yet in a position to verify the correctness and completeness of Iranian declarations, such transparency measures should extend beyond the formal requirements of the Safeguards Agreement and the Additional Protocol and should include the provision of information and documentation related to the procurement of dual use equipment and visits to relevant military-owned workshops and R and D locations associated with the Physics Research Centre and the Lavisan-Shian site.

7. Two important points relating to verification:



- first, the EU is disturbed to see that Iran has now admitted to having in its possession a document which relates to the casting and machining of enriched uranium metal into hemispherical forms. Such a process has no application other than the production of nuclear warheads. This reinforces earlier concerns aroused by possible indications of Iranian weaponisation activity. This new document, given to the Agency 18 years after its receipt, and not included in the information previously handed over to inspectors, raises a set of new questions. We would appreciate the Director General giving priority to the investigation of these matters, and we call on Iran to give all necessary access to sites and individuals who may be able to assist;
- Second, the EU notes in paragraph 3 of the Director General's report that the analysis of the environmental samples collected at a location in another State where, according to Iran, the centrifuge components were stored by the procurement network in the mid 1990s prior to their shipment to Iran did not indicate any traces of nuclear material. Does this mean that this storage location cannot have been the source of the contamination found on centrifuge components in Iran? Or does it mean that the components cannot have been contaminated prior to or during their storage there, and therefore that the contamination must have occurred subsequently, i.e. in Iran?

8. Turning to the issue of suspension, the EU deplores the fact that Iran has yet again failed to heed the Board's call for all enrichment-related activity in Iran to be suspended while outstanding issues are addressed. The uranium conversion campaign initiated in early August came to an end three weeks ago. This provided Iran with an opportunity to re-establish a full and sustained suspension at the UCF in Isfahan, as called for by the Board. The EU regrets that Iran did not take advantage of the opportunity which would have facilitated the resumption of the negotiating process that the Board has also called for.

9. In that connection may I remind Board Members that it was Iran which abruptly walked away from this negotiating process by resuming work at the Isfahan UCF. This move was in clear contravention of last November's Paris Agreement which stated that the suspension of all enrichment related and reprocessing activities would be



sustained while negotiations proceeded on a mutually acceptable agreement on long term arrangements. It is therefore to Iran that those who want negotiations to resume should be addressing their calls. Iran must take steps to recreate a basis for negotiations.

10. The EU believes that the Board should today make clear to Iran that it continues to attach the highest importance to the full suspension of all enrichment-related and reprocessing activities while outstanding issues are addressed, or, in other words, until confidence in the exclusively peaceful nature of Iran's nuclear programme is established. The Board should repeat its demand for a suspension of all activity at the UCF, and it should warn Iran that any resumption of enrichment related activities at Natanz would seriously aggravate the situation created by the resumption of activity at Isfahan. The Board should note with concern that Iran continues with civil construction at the enrichment plant of Natanz: this is not consistent with the spirit of the confidence building measures undertaken by Iran. The Board should also express its deep concern that despite numerous calls, Iran has continued building a research reactor moderated by heavy water. In addition, the Board should remind Iran that respecting the Board's calls for full suspension will lead to the resumption of talks between Iran and the EU - to which all Board members have stressed their attachment.

11. In its 24 September resolution the Board found that Iran's many failures and breaches of its obligations to comply with its NPT Safeguards Agreement constitute non-compliance in the context of Article XII.C of the Agency's Statute. The Board also found that the history of concealment of Iran's nuclear activities, the nature of these activities, issues brought to light in the course of the Agency's verification of declarations made by Iran since September 2002, and the resulting absence of confidence that Iran's nuclear programme is exclusively for peaceful purposes have given rise to questions that are within the competence of the Security Council.

12. The Board decided to address the timing and content of the communications required by these findings at a later date. It did so because it saw reason to hope that Iran would take this opportunity to exert a positive influence on the timing and content of these communications to the Security Council by taking the measures urged upon it



by the Board in its 24 September resolution. The EU regrets to have to say that, with the passing of every week since 24 September, this hope has become ever harder to sustain. Only in relation to transparency has Iran taken positive steps since 24 September - and these steps have been no more than half-measures, as we have seen. However, having listened carefully to the views of many Board members, the EU sees reason to think the window of opportunity should not be closed today. But that window will not stay open in all circumstances. We expect Iran to adopt a responsive attitude, to implement the CBM's for which the Board has called, to refrain from any further unilateral move which could aggravate the situation, and to re-engage in serious discussions on a reasonable basis and in good faith.