

**Comments by Islamic Republic of Iran
At Board of Governors 2 March 2005**

In the Name of God

Madam Chair,

I would like to draw the kind attention of the distinguished members of the Board of Governors to the following comments on the oral technical report as well as the statements by some members of the Board. I am a bit bewildered the report was presented formally and extensively, beyond normal procedures. Nonetheless, I will try to shed light on the points raised here.

1- The storage in Esfahan is not a part of the uranium conversion process. DIQ's on the storage facilities was submitted to the Agency prior to the complementary access, which took place on 15 December 2004. To imply that this was a revelation is not consistent with the facts. In any event it is obvious that the matter is, at the most, an inadvertent error in proper communication between Iran and the Agency.

2- Regarding the packing and storage of the centrifuge components in Farayand, we wish to note that:

- i-They consist solely of non-essential items,
- ii-They were intended for preventive maintenance,

iii-As such, they have nothing to do with voluntary suspension.

The technical necessity of such activities for the preservation and maintenance of these components along with other essential items, currently under Agency's seals, has been discussed with the technical staff since November 2004; this is prior to the commencement of the voluntary suspension. The matter needs to be further discussed and examined in technical discussions. These items cannot be left unpacked and it certainly makes no sense to pack reject able items.

3- We welcome the cooperation offered by other States and the steps taken by the Agency towards the conclusion of the issues related to contamination and P-2. We have provided the Agency with information on shipping, procurement and any other information, all above and beyond our safeguards obligations, which could be helpful for this purpose. We will continue to closely cooperate with the Agency, as this process proceeds, to assist the Agency to finalize this matter.

4- The visit to Parchin was responded to positively, not as an obligatory commitment of course, but as a matter of enhancing confidence .As the DDG stated in his presentation, the modality was agreed in advance, leaving the option to the Agency to select the zone with highest priority among the designated zones at its own discretion. This agreement was implemented in full. An additional request falls beyond the initially agreed modality. On this and other matters related to dual use items two serious concerns continue to prevail:

- A. -There seems to be a tendency for these visit to proliferate unduly forming an open-ended process relies on unreliable open-sources information should be revisited.
- B. -Confidentiality of information has, despite our repeated requests and all efforts of the Director General, almost never been maintained. Concerns on this issue are more intense in view of potential threats of military strikes against safeguarded and other facilities visited by Agency in Iran.

On that latter point, the sheer notion of threats by Nuclear Weapons States against a Non-Nuclear Weapon State, is an issue of major significance as it undermines the very essence of the NPT and bears alarming consequences to the security and the stability of the region. It has to be confronted with head on.

I should also add that part of the problem of confidentiality seems to be related to electronic monitoring and clandestine eves dropping activities by outsiders; A matter which has been extensively reported by the media. This matter needs immediate and effective attention and remedy. In any event, Iran will continue its cooperation with the Agency, including granting access to sites merely in accordance with its Agency's Safeguards Agreement and the Additional Protocol.

Looking, however, at a bigger picture beyond the detail intricacies embodied in the DDG's presentation, common sense and calls for an agreement reached through political means .On this I limit myself here to stress on a few points.

1. Iran is sincere and serious in its negotiation with the E3/EU.
2. To this end Iran is intent in continuing its full fledged cooperation with the Agency and redeem the normal relationship under the Safeguards
3. Suspension is voluntary means and hinges upon progress in negotiation with E3/EU.
4. Iran's intention in being a nuclear fuel producer and supplier and a player in the future of this lucrative market is firm and inalterable. At the same time there is no intention of diversion, now or ever, and this can be assured credibly by the Agency.
5. An agreement with E3/EU is envisaged and pursued on the basis of exchange of firm and objective guarantees. Such an agreement is both possible and accessible at technical level. It does seem however to require an improved political environment conducive to a mutually acceptable agreement.
6. Exchange of guarantees with E3/EU will provide additional assurances for both sides, and promises to enhance confidence, and hence contribute positively and effectively to regional stability.
7. Goodwill and well-intended support by others for the success of the negotiations can be helpful to this process.

Madam Chair,

I would appreciate if these comments be put on record and be distributed among members of the Board of Governors in due time.

Thank you for your attention