

13 March 2004

IAEA Board of Governors

**Statement on the Implementation of the NPT Safeguards Agreement in the
Islamic Republic of Iran**

**by Director-General for International Political Affairs, Foreign Ministry of
the Islamic**

Republic of Iran Mr. Amir H. Zamaninia

Mr. Chairman, Distinguished Director-General, Distinguished Governors,

I wish to express the appreciation of my delegation to Director-General, Dr. ElBaradei for his leadership and acknowledge the hard work that his staff and inspectors should carry out under strenuous circumstances.

The report of the Director General illustrates the positive trend of active cooperation by Iran and also of a process of resolving issues that is gaining pace exponentially. In more than eleven different paragraphs, the Agency underlines that it is either analyzing information provided by Iran or is waiting for the results of swipe sampling. Issues are either resolved or are at the verge of being resolved.

In our view, the Director-General's report, particularly the section on assessment and next steps, narrowed down to issues of importance in his introductory statement of 8 March 2004, reflects in clear terms the approach and the elements which should have served to produce the resolution to be adopted in the Board.

That is if indeed a resolution was necessary. I am sure the Board is aware that a large number of countries did not consider this session –with a transitional report by the DG- to be an appropriate occasion for a substantive text to be adopted. A resolution is being imposed -and I think I am using the expression with true

definition of the word- on the Board by a single country through few associates nonetheless.

The author of this resolution would no doubt try to argue that the draft coincides with the Director General's report and reflects the same points and issues addressed by him. But even an elementary review reveals immediately that it is nothing but a tool to serve a narrow minded, increasingly isolated conviction, by no means shared by the report.

The Director General has repeatedly stressed here:

- ✓ that this is a work in progress;
- ✓ that there is extensive cooperation;
- ✓ that there have been no impediments to access;
- ✓ that the Protocol has been signed and being applied voluntarily;
- ✓ that our rightful enrichment activities have been voluntarily suspended to build confidence;
- ✓ that all essential and urgent requirements have been implemented;
- ✓ that corrective measures have been taken or are being taken; and
- ✓ that outstanding issues are being resolved one after the other.

True that he has referred to a few shortcomings. But I do not think any observer with a minimum level of fair-mindedness could judge this as implying a reversal or even a detour in the process or a menace to it. The draft resolution on the other hand intends clearly to portray a rather benign progressive situation as a condition of high alert. Despite its limited modifications, owing to the principled position of many countries here, it is still a setback, a serious setback.

I shall not fail to express gratitude to the members of the Non-Aligned Movement, its Chairman and the troika of the Movement for their extensive effort and good faith negotiations to reach a draft resolution that commands general agreement. We

took note of the understanding of the NAM of this resolution and of Paragraph 9, which as it stands, does not meet with its approval.

Since repeated delays and postponements have already exhausted the patience of the members, here I will refrain from presenting, in detail, the progress achieved on various issues and the pitfalls that we still need to tackle. But a brief summary to help establish where things stand today, and what may lie ahead, we hope would be useful.

Additional Protocol

For much of last year, signing the Additional Protocol, provisionally applying it prior to its ratification and its ratification were among the most important issues that Iran was called upon to do in order to dispel doubts and promote transparency and confidence in its peaceful nuclear program. Now, this is fully in place.

Suspension of Enrichment Related and Reprocessing Activities

The same is true for suspension of enrichment related and reprocessing activities, which was to put all concerns about Iran's nuclear programme to rest, particularly when combined with the provisional application of the Protocol. Iran's voluntary decision for suspension was not easy decision to make in view of the rights of NPT signatories to peaceful uses of nuclear technology. But, in order to secure international confidence and promote transparency about its peaceful nuclear programme, Iran mustered the political will to take that voluntary decision. The Director-General welcomed Iran's decision and wrote in his report, in Paragraph 72 that it will contribute to confidence building. However, the author of this draft resolution apparently knows better and in order to avoid acknowledging this

positive trend resorted to distortion of English language in Operative Paragraph 3 and vehemently resisted NAM's amendment to bring it somewhat closer to a decent language and the Director-General's report.

Conversion Program (UCF) at Isfahan

Only three months ago we were being told by the Agency that Iran has had a quantum leap in construction of the facility for the UCF project at Isfahan. This was deemed as a significant and major issue not expected to be resolved with ease. The Agency is now concluding that Iran's declaration on UCF "appears to be credible." When the inspectors come to Isfahan next time, they only need to compare some documents to confirm that this outstanding issue is resolved.

Laser Enrichment Program

Our laser enrichment programme has been considered as a second major outstanding issue. The Report indicates that our programme has had two parts; MLIS programme, and AVLIS programme. Our information on MLIS programme, as the Report says, "appears to be coherent". On the AVLIS programme, there is nothing else that Iran is expected to do. As far as we are concerned this issue is also resolved. However, the Agency needs to receive confirmation from third states with regard to deliveries of equipment related to our AVLIS programme.

Plutonium

The question of Plutonium was also highlighted during November debate as a significant issue of concern and contention. Now, it has been reduced only to the

degree of accuracy of calculation by the Iranian scientist of the weight of Plutonium produced. This is among the eleven subjects that the Agency is awaiting the result of sampling. We believe this issue will also be resolved next time the inspectors attend to it. The issue is now whether the calculation by the Iranian scientist which estimated that 200 Microgram of Plutonium was produced is accurate or the calculation by the Agency which estimates that approximately 200 Milligram could have been produced, or somewhere in between, taking into account the quality of equipment used and expertise applied.

Plonium-210

On the question raised about Polonium-210, I would refer the Board of Governors to the explanation and information provided in our INFCIRC/628. Furthermore, we have provided the Agency 41 pages of information about this pure research, which await analysis by the Agency. We are confident that our explanations will be confirmed following their analysis by the Agency. Suffice it to say that Beryllium is an indispensable item in a research geared into a military program. And Beryllium was never part of Iran's buying list. Additionally, if Iran had a military application in mind for the research on P-210, about thirteen years ago, what factor prevented Iran from repeating the research over and over again during the past thirteen years? Why was the project abandoned rather than budgeted and pursued? The research on Polonium, in any case, is not required under the safeguards and the Additional Protocol to be reported. Even as a neutron source, it has widespread civilian applications including, in particular, for oil and gas logging.

Contamination

The only outstanding issue which may prove somewhat difficult and time consuming to resolve is the question of contamination beyond 1.2 per cent enrichment. And that is due to the independent factor of the foreign source. However, with the recent revelations from third countries even the question of contamination may get resolved sooner rather than later. We are determined to reconstruct the import and movements of imported components in Iran to isolate contamination to the extent possible so as to enable the Agency to resolve the issue with a greater number of swipe samplings. In our view, as the results of new samplings become available more pieces of this puzzle fall into place.

P-2 centrifuge design

The question of P-2 design, on the other hand, is overblown disproportionately for the reasons listed in our INFCIRC 628 and for the following reasons.

It was Friday the 13, in February when the whole world came lose. It was the day when newspapers in Europe and the United States wrote that the IAEA officials made the discovery and proved that Iran was developing nuclear weapons. The times of London, Washington Post, LA times and the Financial Times were the most creative and all attributed their stories to officials of the IAEA.

In an Article entitled "blueprints prove Iran is pursuing nuclear weapons", and after elaborating IAEA officials' discovery of blueprints of G-2 centrifuge, the Times of London went on to say: "Several IAEA officials said they believed Iran had bought the same nuclear warhead designs that Libya handed over to the IAEA." Referring to the same discovery, Washington Post wrote: "Before yesterday's disclosure, Bush administration had begun to signal a tougher line against Iran, hinting of new intelligence findings that strongly suggested that Iran was harboring nuclear

secrets. Some of these things the IAEA does not yet know, said one administration official, who spoke on condition of anonymity."

Apart from problems associated with the breach of confidentiality envisaged in the Statute of the IAEA and the Additional Protocol, I would like to suggest to the distinguished Governors that the media and the Agency have unduly exaggerated the issue of P-2. The Agency's uranium enrichment expert who inspected our P-2 drawings and associated experiments and testing activities, and interviewed the thirty some year old contractor, better than anyone else, can now confirm or reject that the sensations created around the P-2 is justified or is exaggerated.

For your information, I have with me copies of five pictures signed by the Agency's uranium enrichment expert.

These five pictures tell the whole story about all the research and manufacturing of the P-2 centrifuge in Iran.

All the research and manufacturing are done by a small private work shop and are limited to making components for only one set of centrifuge with several rotors. And these few components are now in a storage visited by the inspectors. These pictures are here for anyone interested to see them. Having said this about the scope and nature of Iran's activities in relation to P-2 centrifuges, I turn to the question of omission from our letter of 21 October 2003 of any reference to Iran's possession of the P-2 centrifuge drawings.

Our arguments on this issue have been listed in INFCIRC 628, and most of them are summarized in Paragraph 47 of the report. I wish to state for the record that Paragraph 46 represents a problem with communication between us and the Agency, in as much as we have never meant to say that we neglected to include the P-2 in our letter of 21 October due to time pressure in preparing the letter.

The crux of the matter seems to be a difference of view between us and the Agency on this issue as far as the timing of reporting it is concerned. Our technical people

who provided the material for what became our 21 October 2003 letter thought they are expected to provide a full picture of their nuclear activities as well as complete centrifuge R & D involving nuclear material that represented a failure of our obligations under our Safeguards Agreement. The P-2, in our view was to be reported under the Additional protocol declarations. We could not have perceived to stand to gain by reporting the P-2 under the Additional Protocol and not as part of our letter of 21 October 2003. It was a matter of judgment in good faith.

What should be important to the Agency and the Board is the fact that we have provided the information on the nature and scope of our activities related to P-2 centrifuge, and will provide any clarification which the Agency may require to enable it to confirm that our gas centrifuge program has been entirely based on P-1 centrifuge, which has been suspended.

Mr. Chairman,

Iran's agreement with the three European countries constituted the foundation of a new chapter in the cooperation between Iran and the IAEA. It opened the way for further Iranian commitment to the cause. Iran has been faithful to this commitment and has spared no effort to ensure that this process moves forward efficiently, expeditiously and exhaustively in order that a definitive conclusion of the matters at hand would come to light. A fair and balanced review of the substantive progress that has been made on resolution of major issues within the short period of time since October testifies clearly to this fact.

The questions related to conversion, plutonium, and laser enrichment, deemed by some of the skeptics during the November meeting as significant sources of uncertainty about peaceful nature of Iran's nuclear program, have now been either resolved or are on the verge of final resolution.

If the current process would be allowed to proceed within its positive context of mutual confidence and cooperation, we have no doubt that these and other questions referred to in the Director General's report will be settled by the next Board meeting. With the additional information recently requested by the secretariat, our share of what we can provide to the best of our ability to help clarify the complex issue of contamination would also be completed by the same Board meeting. Our obligations and commitments will thus be thoroughly fulfilled and remedies and corrective measures completed.

The succinct summary assessment presented by the DG at the opening of this board meeting, save for his interpretation of the P2 question as a setback, which will prove to be benign, concurs with this assertion. We believe that his statement was plainly clear in identifying the single issue of contamination as the one requiring further work and continued cooperation from Iran and other Parties. It was in this context that he expressed his hope that, in the absence of new revelations, these and other remaining questions will be resolved and confidence restored.

The fundamental conclusion which constitutes the essence of the whole safeguards system pertaining to non diversion of nuclear material and activities to military purposes is, in the meantime, sustained. Since November when the Director General reported no evidence of diversion, a robust system of verification has been effectively and extensively in place. The conclusion remains the same. There is no evidence of diversion today; there will not be such evidence tomorrow, nor there will ever be such evidence or indication of diversion in the future.

It is of course not easy for some to accept the fact that our nuclear program is exclusively peaceful. Those who have for long set their policy and approach on the false perception that Iran seeks weapons of mass destruction cannot change course with ease. Their negation is naturally a first psychological reaction before

accepting the truth. Yet the truth remains the same. Iran's nuclear program is exclusively peaceful. The Agency's inspections will progressively confirm this assertion.

Against this background, the attempt to unravel this otherwise healthy process, which is now a matter of public information, is clearly out of order. There is a fervent unjustified desire to maintain undue pressure on Iran through misrepresentation of facts, over-exaggeration of minor misgivings, and excessive prejudgments.

The move to pass a tough resolution here runs primarily on prejudiced ideological emotions. If this prevails, which apparently will through the logic of force and exercise of systematic intransigence, extremists –mutually reinforcing- will gain momentary comfort.

The well wishers here tell us that there is a lot of hot air in certain ideological circles. They say it is best to let the steam blow away. To be frank we are not sure whether this serves any purpose or gives a chance for things to improve.

What we see however is that the damage has already been done. The process is geared to suffer. Recovery will require enormous efforts. Those who have worked relentlessly to put this venture in place have tedious work ahead of them. They may not be so outspoken, as sensationalism betrays sensible work. But they are –as we still view them- dedicated to see this process through and make sure it succeeds.

With change of obstinate minds and cold hearts, June may prove to embody a different spirit. Looking in hindsight, this March Meeting may then be remembered only as a piece of bad memory.

Thank you.