

**Director General's Remarks to the
IAEA Board of Governors during its meeting on
9 September 2003**

I am grateful for the support of the Board in working with the Secretariat to resolve what I believe to be a very important issue related to the integrity of the non-proliferation regime. There is one common theme that runs through the interventions today, namely that this serious issue has to be brought to a conclusion as soon as possible. On this we all agree, including, I am sure, our Iranian colleagues.

We need to try to reach a peaceful resolution through verification, working within the boundaries of the Agency's mandate to exhaust all means at our disposal before we consider other alternatives. The Agency was entrusted by the NPT to be the verification arm of that treaty, and we must make sure that that verification arm works effectively.

The mandate of the Secretariat is technical in nature: verifying, ascertaining the facts and sharing those facts with the Board. We intend, as always, to keep to technical matters and to avoid any political colouring. We are — on this as on all other issues — politically 'blind', because political assessment is not the role of the Secretariat.

We know from experience that the inspection process takes time and we need to use all available means and remedies before we conclude that we are unable to verify a particular commitment. We are not yet in that situation because there is still work ahead, as you have seen in our report. If the Secretariat is taking a conservative approach it is because we believe that it is very important not to jump to conclusions which are not fully supported by the facts.

However, we are well aware that we are dealing with an issue that concerns a capability — namely enrichment — to produce weapons usable material. And we still have a number of unresolved problems. One is the fact that we have seen different levels of enrichment, different isotopes, and that raises the question of where this enrichment has taken place. Iran maintains that it is the result of contamination. We need to clarify that as early as possible. That means that we will need the necessary support not only from Iran, but also from all countries that may have provided assistance to Iran. Moreover, we will certainly need to identify the origin of any equipment involved.

Another important issue relevant to enrichment is the question of the testing of centrifuges. Our experts tell us that testing with nuclear material must have taken place for Iran to reach the stage that it has. We need now to reconcile the opinion of our experts with the explanation provided by Iran.

There are various scenarios we need to examine: one is contamination of the equipment, another is importation of enriched uranium, a third is enrichment inside Iran and a fourth is some combination of the above.

There are other issues of course, concerning laser activities, the heavy water programme, conversion work and the production of uranium metal. These are not perhaps as disquieting as the centrifuge enrichment programme, but we still need to clarify them.

The whole matter is complicated by questions of legal rights and transparency. There are certain things that Iran might have had no legal obligation to declare, for example facilities that were under construction or imports of equipment. However, what I have emphasized to the Iranian authorities is that legal rights apart, we will not be able to resolve the various issues without full transparency and proactive co-operation.

This is because, firstly, the programme has been very wide ranging and, secondly, because it goes back as far as the mid-1980s, so that we need to reconstruct the history of an extensive twenty-year programme. For us to do that it is obviously not sufficient to rely just on the rights granted in the safeguards agreement. The Iranian side has understood that point and has provided us with access to certain sites and the possibility of taking environmental samples.

What lies ahead? We need full transparency and proactive co-operation by Iran. The pattern of response observed so far will not enable us to resolve the issues in a reasonable timeframe. Iran should not wait for us to ask questions and then respond; it should come forward with a complete and immediate declaration of all its nuclear activities. That would be the best way to resolve the issues within the next few weeks.

We also need the full and active co-operation of all countries that may have assisted the Iranian programme. Without that, it will be very difficult to verify the Iranian statements, particularly with regard to contamination. We are not directly concerned with the export control regime but we do need the information in order to be able to fulfil our responsibilities. As in the case of Iraq, we will treat any information we receive with absolute confidentiality, but we need it nonetheless.

I want to be very clear: if we do not obtain the necessary information and if we do not get immediate and full co-operation by Iran, we will not be able to verify the Iranian programme. And that is in itself a conclusion — that we are unable to verify. But it is not a

positive conclusion because it casts doubt on the whole system. There is obviously a moral responsibility, if not a legal responsibility, on those who may have participated in assisting Iran to come forward with information, and there is obviously an obligation on the part of Iran to give us all the necessary information, including the origin of imported equipment and components.

I would obviously like to come to a conclusion by the next meeting of the Board. The international community has every right to expect that we reach closure on such an important and sensitive non-proliferation issue within a year of the time we started our work. So I look forward to Iran continuing to accelerate its co-operation. We have seen increased co-operation since June but it should now become proactive, and translated into a policy of full transparency.

We will seek to clarify all issues by the end of November. I hope that we will not be in the position at that time to have to say that we were unable to complete our verification work. Throughout the years we have seen cases of failure to comply with the provisions of safeguards agreements. These failures range from the “cardinal sin” of diverting weapons usable material to just a single failure to report certain material or equipment. Obviously the level of concern and the response are questions of judgement. At this stage, we need to understand all aspects of the Iranian programme and make sure that everything has been declared. I would like, by the end of the year, to be able to state that: “Yes, we believe we have seen every aspect of the Iranian programme; it is now fully declared and under safeguards”.

Our reports in June and in August reflect, in terms of both substance and format, the collective work of the Secretariat. As many of you rightly said, we have been entrusted with a mandate. We will continue to drive the process forward in an impartial, transparent and comprehensive manner. But we need the support of Iran, we need the support of other States and obviously we need the support of the Board. The discussion today has been very helpful in sending a clear message. I have not heard a single voice of dissent or lack of acknowledgement that we are dealing with a very serious issue which we need to bring to closure as soon as possible.