

# **The IAEA and Iran – Iran’s check-mate prematurely called**

Andreas Persbo

Basic Papers – occasional papers on international security policy,  
10 September 2004



British American Security  
Information Council

## Key Points

- On 13 September 2004 the IAEA Board of Governors convene in Vienna to discuss the latest report by the Director General on the implementation of the NPT safeguards agreement in Iran.
- The Iranian government expects to be given a clean bill of health; the US government is equally convinced of Iran's non-compliance and is seeking referral to the United Nations Security Council (UNSC).
- The United States takes over the chair of the UNSC in November; coincidentally the European troika (UK, France and Germany) have called for Iran to suspend all activities that may be linked to the production of nuclear weapons by November.
- Only a bold US move towards engagement with Iran would solve the knot. The United States should present convincing evidence to back up its claim that a 'large-scale Iranian nuclear weapons programme' exists. • Iran needs to intensify its cooperation with IAEA inspectors.
- The IAEA Board of Governors should defer until its November 2004 meeting any decision on how to address questions of Iranian cooperation and eventual past or present breaches of the NPT.
- The 'European Troika' should continue its strategy of engagement and offer investments in the Iranian energy sector in exchange for enhanced Iranian cooperation.

## Introduction

On 13 September 2004 the Board of Governors [1] of the International Atomic Energy Agency (IAEA) will convene in Vienna for their third meeting [2] this year. On the table will be the sixth report by the Director General on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran. [3] The Iranian government is convinced that this report will give it a clean bill of health, and the US government is equally convinced that the contents of this report will prompt the Board to refer Iran's non-compliance to the United Nations Security Council (UNSC). The last time the Board of Governors met, Iran was neither cleared of the accusation of clandestine intent to produce nuclear weapons nor was its case referred to the UNSC.

## What will happen next week?

The Iranian foreign ministry spokesman, Dr Hamidreza Assefi, commenting on the latest report, claimed that it "clearly confirms Iran's anticipations" and that only trivial issues remain. [4] He has been quoted as saying: "We think either there are no vague point at all remaining any longer between Iran and IAEA, or if there are, they are very limited in number".[5]

However, Iran's most vocal critic, the Bush administration, remains highly sceptical of Iran's assurances. US Secretary of State Colin Powell believes that there is sufficient evidence that Iran had a nuclear weapons programme. In his view, "time is passing, and this is a matter that should go to the Security Council as quickly as possible".[6] The US administration also questions the Iranian justification for a civilian nuclear programme. The Under Secretary for Disarmament Affairs John Bolton has said, "Iran does not have enough indigenous uranium resources to fuel even one power-generating reactor over its lifetime - though it has quite enough uranium to make several nuclear bombs".[7] Whether or not this argument is accurate is discussed in the appendix of this note.

It also appears the so-called 'European Troika' (United Kingdom, France and Germany) is losing patience with the Iranian government. On 8 September 2004, they announced an agreement to set a November deadline for Iran to suspend all activities that may be linked to the production of nuclear weapons. [8] Clearly this ultimatum refers to Iran's resumed construction of centrifuge equipment.

It may also be connected with the fact that the United States is chairing the UNSC in November, which would put the Iranian question firmly on the Council's agenda. This year, in addition, nine IAEA Governors also hold a seat at the Security Council. A resolution without a vote by the IAEA

Board of Governors stating that Iranian activities constitute a threat against peace and security would also have majority support in the Council. This would be a grim development for the Iranians.

However, it must be acknowledged that the United States is also a part of the 'Iranian problem'. It is mainly US opposition that has been the driving force behind the string of IAEA resolutions on Iran over the last year. A recent article in the Financial Times suggested that only a bold US move towards engagement with Iran would solve the knot:

Under a changed policy the US would join the Europeans in a comprehensive deal with Tehran. It would offer guarantees that Iran could import fuel for reactors at reasonable market rates in return for a permanent end to its enrichment programme. An agreement would also launch a political dialogue to remove Iranian fears of regime destabilisation while winning Iranian assurances that Tehran would end support for radical Middle Eastern groups and co-operate with the US in Iraq. [9]

In addition, the US administration should be pressed this time to produce the evidence it claims to have proving a large-scale Iranian nuclear weapons programme. As it stands, the US accusations have an eerily familiar ring to them. An 'Iranian version' of Colin Powell's presentation of Iraqi deceit and deception during the run-up to the second Gulf war would hardly serve US interests.

## **Iran's cooperation with the IAEA is still hesitant**

At its June meeting, the Board deplored the fact that Iran's cooperation has not been as full, timely and proactive as it should have been. In particular, the Board noted that the Iranian government postponed a number of inspections scheduled for March. The Iranians themselves claimed that the suspension was due to Iranian New Year celebrations, although a more credible explanation would be that the Iranian government was displeased with the perceived hard-line stance of the Board. The criticism should have been enough to trigger a more cooperative Iranian attitude. Indeed, since the Iranian government has voiced its belief on several occasions that the IAEA file should be closed, common sense dictates that it also should do its utmost to clear itself from any suspicion of treaty violation. However, the Director General reports that, "sufficiently detailed information has, despite repeated requests, been provided so late that it has not been possible to include an assessment of its sufficiency and correctness in this report".[10] Iran obviously needs, once again, to be called upon to intensify its cooperation with IAEA inspectors.

## **The nature and intent of Iran's enrichment activities are still questioned**

Recalling that it had previously called on Iran to suspend all enrichment related and reprocessing activities, the June IAEA Board meeting welcomed Iran's voluntary decision to suspend these activities. However, the Board regretted that all these commitments had not been comprehensively implemented and called on Iran to immediately correct the remaining shortcomings. [11] This cautious welcome now seems to have had little effect on the Iranian government. On 23 June 2004, it notified the IAEA of its intention to resume the manufacturing, assembly and testing of centrifuges. However, Iran has stopped short of actually starting enrichment procedures. [12] Iran has always maintained that its enrichment activities are perfectly legal, necessary in order to guarantee a supply of fuel to its reactors, and a matter of national pride. The US government clearly sees the enrichment activities as part of a nuclear weapons programme.

Although the June IAEA Board meeting recognised the "inalienable right of states to the development and practical application of atomic energy for peaceful purposes, including the production of electric power, consistent with their treaty obligations",[13] the question as to whether or not Iran's enrichment activities had been for peaceful purposes remained unanswered. Therefore, the Board called on Iran "to take all necessary steps on an urgent basis to help

resolve all outstanding questions, especially that of LEU and HEU contamination found at various locations in Iran".[14]

Iran has maintained that the contamination came with the centrifuge equipment it bought from another state (presumably Pakistan). It seems that Iran has not cooperated with the IAEA to the extent necessary to solve this problem since the "State has provided the Agency with new information on the results of its investigations into the supplier, which indicate that the components imported by Iran may not all have originated from that State".[15] This information has prompted the IAEA to contact a third state "with a view to facilitating the resolution of the contamination questions".[16] This contact indicates that the IAEA do not believe that the contamination was due to domestic production of highly enriched uranium.

## **The ratification of the Additional Protocol is still delayed**

In its June resolution the Board emphasised "the importance of Iran continuing to act in accordance with the provisions of the Additional Protocol to provide reassurance to the international community about the nature of Iran's nuclear programme".[17] Therefore, the Board urged Iran to ratify, without delay, the Additional Protocol.

However, the ratification question has met some resistance from the conservative Iranian Parliament (the Majlis). Reportedly, the parliamentary commission on national security and foreign affairs has been working on a bill to force the reformist government to resume enrichment. [18] This would indicate that the Iranian parliament has chosen a distinctly different approach with the IAEA than the Iranian cabinet. Indeed, the head of the commission, Alladin Borujerdi, seems to believe that Iran can use the ratification question in a bazaar trade. He has said that the "Majlis certainly will not approve the additional protocol in view of the Board of Governors current record, but the Board can pave the way for Iran to join the protocol if it attempts to close Iran's nuclear dossier in its next [13 September] session".[19]

As far as known, the 'supreme leader' (or the Ayatollah as he is popularly called in the West), who, according to the Iranian constitution, is responsible for the "supervision over the proper execution of the general policies of the system"[20] has not involved himself in the IAEA affair.

Conversely, there exist no doubts in the mind of the US government as to why Iran has failed to ratify the protocol. According to John Bolton, the "impetus behind the Iranian quest for nuclear weapons is so great it has caused Iran to renege on its commitments to the IAEA to ratify the Additional Protocol and fully cooperate with inspectors, and renege on its commitment to the Europeans to suspend uranium enrichment activities".[21]

## **The question of referral to the UN Security Council**

The IAEA Board has been somewhat vague when it comes to the terms of referral to the Security Council. On 26 November 2003, the decided that "should any further serious Iranian failures come to light, the Board of Governors would meet immediately to consider, in the light of the circumstances and of advice from the Director General, all options at its disposal, in accordance with the IAEA Statute and Iran's Safeguards Agreement" (emphasis added). This resolution has so far not been amended. On 3 March 2004, the Board decided to "defer until its June meeting ... consideration of progress in verifying Iran's declarations, and of how to respond to [Iran's] omissions". On 18 June 2004, the board only decided to remain seized of the matter. The IAEA statute provides that the agency shall notify the Security Council of questions that fall within the competency of the UNSC. [22] This would suggest that the Agency needs to make an initial judgement on whether the Iranian issue falls under the Security Council's competency under VII of the Charter. [23]

However, ultimately it falls on the UNSC[24] to decide whether or not Iran's alleged NPT breach constitutes a "threat to the peace, breach of the peace, or act of aggression".[25] The 26 November 2003 decision suggests that the IAEA Board should await the advice from the Director

General before making a decision on Security Council referral. So far, the Director General has declined to comment on whether the Iranian question warrants referral to the Council. It would still seem like an 'Iranian failure' is insufficient for referral. Rather, the 'failure' has to be 'serious'. Where this threshold goes is difficult to ascertain.

## Recommendations

1. The Board of Governors should:
  - defer to its November 2004 meeting to decide how to address questions of Iranian cooperation and eventual past or present breaches of the NPT;
  - reinforce its message that any confirmed and serious past or present breaches of the NPT will be sent to the UNSC for consideration; and
  - strengthen its message to Iran that full cooperation with IAEA inspectors is required. Iran's habit of presenting too little supporting documentation too late and only after repeated requests from the inspectors needs to change.
2. The United States should present convincing evidence to back up its, so far unproven, claim that a 'large-scale Iranian nuclear weapons programme' exists.
3. The 'European Troika' should continue its strategy of engagement and offer investments in the Iranian energy sector in exchange for enhanced Iranian cooperation.
4. It should be recognised that, given the parliamentary situation in Iran, it may be difficult for the Iranian cabinet to ratify the Additional Protocol. And even though Iran is acting like the Additional Protocol is in force, ratification would amount to a significant show of goodwill.

## Appendix: John Bolton's Uranium Charge - An Assessment

To recap, Under Secretary for Disarmament Affairs John Bolton has said, "Iran does not have enough indigenous uranium resources to fuel even one power-generating reactor over its lifetime - though it has quite enough uranium to make several nuclear bombs". Is he correct?

Although it is not clear what Under-Secretary Bolton is basing his assertion on, he may be referring to the Saghand uranium mine in southern Iran. According to Iranian sources, the mine holds some 1,73 million tonnes of uranium ore and has a current mining capacity of some 132,000 tonnes of uranium ore per year. The capacity of enrichment plants is measured in terms of separative work units (SWU) and about 100,000 SWU are required to enrich the annual fuel loading for a typical 1,000 MW light water reactor. Roughly 1.34 kg of natural u-feed is required to produce one SWU (although this figure certainly varies). Uranium ore on average contains some 1.5 % uranium. This would mean that the Saghand uranium mine, based on Iranian estimates, would be able to produce some 25,950 tonnes of yellowcake (or some 19,365,671 SWU). Theoretically, this would sustain Iran's 6,000 MW nuclear programme for some 32 years.

On the other hand, according to the Director of the Institute of Science and International Security, David Albright, some 40 000 kg of yellowcake could also produce four to five nuclear warheads. If his and the Iranian figures and estimates are correct, the Saghand mine could provide the raw materials for some 3,000 nuclear warheads. Seen from that perspective, the Iranian ambition to control the nuclear fuel cycle seems suspicious. However, irrespective of a country's uranium ore resources, it does seem economically sound to domestically produce fuel rather than to buy the finished product on the world market.

Sources: Ali Akbar Darenini, 'Mine contains hopes for nuclear energy, Iranian officials say', the Seattle Times, 8 September 2004. See also 'Uranium Enrichment', Nuclear Issues Briefing Paper 33, the Uranium Information Centre Ltd, June 2003; David Albright and Corey Hinderstein, 'The Iranian Gas Centrifuge Enrichment Plant at Nantaz: Drawing from Commercial Satellite Images', The Institute for Science and International Security (ISIS), 14 March 2003 and 'Front End Transport', the World Nuclear Transport Institute, at: [http://www.wnti.co.uk/tc\\_frontendtransport.html](http://www.wnti.co.uk/tc_frontendtransport.html).

## Endnotes

[1] Member States represented on the IAEA Board for 2003-2004 are Argentina, Australia, Brazil, Belgium, Canada, China, Cuba, Czech Republic, Denmark, Egypt, France, Germany, Hungary, India, Italy, Japan, Republic of Korea, Malaysia, Mexico, Netherlands, New Zealand, Nigeria, Pakistan, Panama, Peru, Poland, Russian Federation, Saudi Arabia, South Africa, Spain, Sudan, Tunisia, United Kingdom, United States, and Vietnam

[2] Previous meetings have been held on 8 March 2004 and 14 June 2004. The Board will also meet on 27 September and 25 November 2004.

[3] IAEA GOV/2004/60, 'Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran', Report by the Director General, 1 September 2004. The report is available at Global Security's website and is hereinafter cited "the September report".

[4] Dr. Assefi's statement on the IAEA Board Report, Ministry of Foreign Affairs of the Islamic Republic of Iran, 1 September 2004

[5] Id

[6] See, for example, Barry Schweid, 'Powell Dismisses Report on Iran's Actions', The Guardian, 7 September 2004

[7] 'Preventing Iran from Acquiring Nuclear Weapons', John R. Bolton, Under Secretary for Arms Control and International Security, Remarks to the Hudson Institute, Washington, DC, 17 August 2004

[8] Ewen MacAskill, Kasra Naji & Chris McGreal, 'UK sets Iran deadline to end nuclear bomb work', The Guardian, 9 September 2004

[9] Commentary by Stephen Fidler, Roula Khalaf and Gareth Smyth in the Financial Times, 9 September 2004

[10] September report, par. 56

[11] June resolution, op. par. 7

[12] September report, par. 53pp

[13] June resolution, pr. para. (j)

[14] IAEA Gov/2004/49, 'Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran', Resolution adopted by the Board on 18 June 2004, op. par. 4, hereinafter cited as the June resolution

[15] September report, par. 30

[16] September report, annex, par. 24. It is certainly hard to tell which state this may be. There are many producers of nuclear fuel and centrifuge technology, for instance Australia, Belgium, China, Germany, Russia, the United Kingdom and the United States.

[17] June resolution, op. par. 6

[18] 'Iran's conservatives grill FM over nuclear dossier', Middle East Online, 10 August 2004

[19] Tehran Times Political Desk, 'Closure of Iran's nuclear dossier, prerequisite for approval of NPT protocol', in Tehran Times, 7 September 2004

[20] Constitution of the Islamic Republic of Iran, chapter 8, article 108. Technically, the Leader shares responsibility with the Shura (the Leadership Council)

[21] 'Preventing Iran from Acquiring Nuclear Weapons', John R. Bolton, Under Secretary for Arms Control and International Security, Remarks to the Hudson Institute, Washington, DC, 17 August 2004

[22] IAEA Statue, article III (B) 4

[23] It is doubtful that the Iranian question falls under Chapter VI of the Charter, which refers to peaceful settlement of disputes. Rather, the question falls under Chapter VII of the Charter that deals with the UN Security Council's authority with respect to threats to the peace, breaches of the peace and acts of aggression.

[24] As of 9 September 2004, the Security Council consists of Chile, China, France, Germany,

Pakistan, Philippines, Romania, Russian Federation, Spain, United Kingdom, United States, Algeria, Angola, Benin and Brazil. Spain currently holds the chair. The United Kingdom will take the chair in October and the United States in November. Please note that 9 out of 15 Security Council members also sit at the IAEA Board, namely Brazil, China, France, Germany, Pakistan, Russian Federation, Spain, United Kingdom, and the United States.

[25] UN Charter, article 39