



IAEA Board of Governors

4 June 2014

Agenda Item 6 (d): Implementation of the NPT safeguards agreement and relevant provisions of United Nations Security Council resolutions in the Islamic Republic of Iran

Mr Chairman

The Australian delegation thanks the Director General for his report on safeguards implementation in the Islamic Republic of Iran and for the provision of the helpful annexes.

Australia welcomed, and has actively supported, the Agency's Framework for Cooperation with Iran and the P5+1/Iran Joint Plan of Action. These agreements are important first steps toward a peaceful settlement of the Iran nuclear issue. We want to acknowledge the level of cooperation shown by all parties in implementing them. It is vital that this cooperation continues, including in resolving areas of differences. Iran has the central role in providing the international community more widely, credible reassurance that Iran's nuclear activities are exclusively for peaceful purposes by addressing all outstanding issues, particularly those relating to possible military dimensions (PMD) to its nuclear program.

We encourage Iran to implement the modified Code 3.1 of the Subsidiary Arrangements General Part to its Safeguards Agreement, bring into force its Additional Protocol, and comply with relevant UNSCR and Board resolutions.

Mr Chairman

Since our meeting in March, we note that Iran has responded on the seven practical measures agreed under the Framework for Cooperation within the specified three-month period. The DG reports that Iran has provided additional information and explanations to the Agency on the testing of simultaneous firing of Exploding Bridge Wire (EBW) detonators. We note that the Agency's assessment of the information provided is ongoing.

Exploding Bridge Wire detonators are dual use items. As noted in Annex of the DG's report of November 2011 (GOV/2011/65) and I quote "...Given their possible application in a nuclear explosive device, the fact that there are limited civilian and conventional military applications for such technology, Iran's development of such detonators and equipment is a matter of concern, particularly in connection with the possible use of the multipoint initiation system...".

We look forward to further clarification, in the context of the broader response to this Board's request for the IAEA and Iran to "intensify their dialogue aiming at the urgent resolution of all outstanding substantive issues for the purpose of providing clarifications regarding those issues, including access to relevant information, documentation, sites, material and personnel in Iran" [*PP(b) of BOG Resolution of 13 September 2012*].

As we progress through successive tranches of practical measures to resolve all outstanding issues, it is important that the Agency is able to seek and obtain such clarification, including on information provided previously. This will help build and sustain confidence in the process.

We therefore welcome the Director General's advice that in the third tranche of practical measures under the Framework for Cooperation, to be implemented by 25 August 2014, Iran has agreed to address two more PMD-related issues that were identified in the Annex of his November 2011 report:

- i. Initiation of high explosives, including the conduct of large scale high explosives experimentation in Iran (*paras 41-46 of the Annex*); and
- ii. Studies made and/or papers published in Iran in relation to neutron transport and associated modelling and calculations and their alleged application to compressed materials (*paras 52-54 of the Annex*)

We share concerns about the continued activity at Parchin, including ongoing removal/replacement or refurbishment of the external wall structures of the site's two main buildings, which the Director General has stated again "will seriously undermine the Agency's ability to conduct effective verification". Iran should provide access to the site of interest in Parchin and information concerning the foreign expert, in order to help resolve all outstanding PMD issues relating to its nuclear programme.

Mr Chairman

Australia supports the Agency's role in monitoring and verifying Iran's commitments under the P5+1/Iran Joint Plan of Action (JPA) and has made an extra-budgetary contribution in support of this important activity. We note that Iran is implementing the nuclear-related measures agreed under the JPA and thank the Director General for his monthly updates on progress in this area of work.

Under the JPA, Iran is to retain half of its stocks of UF6 enriched to 20% U-235 for fabrication of fuel for the Tehran Research Reactor and dilute the remaining to no more than 5% U-235. We note that as a result of the dilution and conversion that has taken place since January 2014, Iran's stock of UF6 enriched up to 20% U-235 has decreased from 209.1kg to 38.4kg. Its stock of 5% U-235, including from downblending of UF6 enriched to 20% U-235, increased by 866kg since the DG's previous report to 8,475kg. We expect to see reductions in this amount through conversion into UO2 powder when the Enriched UO2 Powder Plant becomes fully operational for this purpose.

Mr Chairman

Once again the Director General reminds us that while the Agency is able to verify the non-diversion of declared nuclear material at the nuclear facilities and locations outside facilities (LOFs) declared by Iran under its Safeguards Agreement, the Agency is not in a position to provide credible assurance about the absence of **undeclared** nuclear material and activities in Iran, and therefore to conclude that all nuclear material in Iran is in peaceful activities.

Australia is encouraged that Iran's cooperation with the Agency has improved. But much more work and effort is required if Iran is to meet the Board's request that it clarify **all** outstanding issues. How comprehensively and how quickly this can be accomplished is very much in Iran's hands.

Australia maintains its support for the November 2013 agreements and very much hopes they will prove to have put us on the path to a long-term comprehensive solution that ensures Iran's nuclear and related activities are entirely for peaceful purposes.

We urge all parties to maintain commitment to this outcome and commend the Agency for its professionalism, impartiality and effectiveness in advancing that goal.

Australia supports the public release of the Director General's report on Iran:
GOV/2014/28.

Thank you.