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NPT Safeguards Agreement with the Islamic Republic of Iran

Report by the Director General

A. Introduction

1. This report of the Director General is on the implementation of the NPT Safeguards Agreement^{1,2} in the Islamic Republic of Iran (Iran). It also addresses the implementation of the Joint Statement³ agreed between the Director General and HE Mr Mohammad Eslami, the Vice-President of Iran and Head of the Atomic Energy Organization of Iran (AEOI) on 4 March 2023, covering the implementation of Iran's NPT Safeguards Agreement, the outstanding safeguards issues, further verification and monitoring activities and the spirit of collaboration in interactions between the Agency and Iran.

B. Background

2. The comprehensive evaluation of all safeguards-relevant information available to the Agency is essential in ascertaining that there are no indications of the diversion of declared nuclear material from peaceful nuclear activities, no indications of undeclared production or processing of nuclear material at

¹ The Agreement between Iran and the Agency for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons (INFCIRC/214), which entered into force on 15 May 1974.

² Iran's Additional Protocol (INFCIRC/214/Add.1) was approved by the Board of Governors on 21 November 2003 and signed by Iran on 18 December 2003. Iran implemented voluntarily the Additional Protocol between December 2003 and February 2006. On 16 January 2016, Iran began provisionally applying the Additional Protocol in accordance with Article 17(b) of the Additional Protocol. As of 23 February 2021, Iran stopped the implementation of its nuclear-related commitments under the JCPOA, including the Additional Protocol (see GOV/INF/2021/13).

³ GOV/2023/9, Annex.

declared facilities and locations outside facilities (LOFs), and no indications of undeclared nuclear material and activities in a State with a comprehensive safeguards agreement.⁴

3. As a result of its evaluations, the Agency identified in 2019 a number of questions related to possible undeclared nuclear material and nuclear-related activities at four locations in Iran that had not been declared to the Agency and requested responses to these questions from Iran, pursuant to Article 69 of the NPT Safeguards Agreement and Article 4.d. of the Additional Protocol. The Agency also provided Iran with detailed information upon which the Agency had made its requests for clarification.⁵

4. In 2019 and 2020, the Agency conducted complementary accesses at three of the four undeclared locations in Iran – Turqzabad (2019), Varamin (2020) and ‘Marivan’ (2020) – and found uranium particles of anthropogenic origin at each of these three locations, for which it sought explanations from Iran. The Director General expressed his deep concern that nuclear material had been present at these undeclared locations.⁶

5. In May 2022, while the Agency’s assessment of the undeclared nuclear-related activities that were undertaken by Iran at the fourth location – Lavisian-Shian – remained unchanged,⁷ the Agency informed Iran that it regarded the safeguards issue relating to that location to be no longer outstanding at that stage.

6. By the Board of Governors (Board) meeting in June 2022, the Agency was still seeking explanations from Iran in relation to the safeguards issues related to Turqzabad, Varamin and ‘Marivan’.⁸ In its resolution of 8 June 2022, the Board, inter alia, expressed its “profound concern that the safeguards issues related to these three undeclared locations remain outstanding due to insufficient substantive cooperation by Iran, despite numerous interactions with the Agency”.⁹

7. Following the Director General’s report to the Board in November 2022 that there had still been no progress in clarifying and resolving the outstanding safeguards issues,¹⁰ the Board, in its resolution of 17 November 2022, decided that it was:

“...essential and urgent in order to ensure verification of the non-diversion of nuclear material that Iran act to fulfil its legal obligations and, with a view to clarifying all outstanding safeguards issues, take the following actions without delay:

- (i) Provide technically credible explanations for the presence of uranium particles of anthropogenic origin at three undeclared locations in Iran;
- (ii) Inform the Agency of the current location(s) of the nuclear material and/or of the contaminated equipment;
- (iii) Provide all information, documentation, and answers the Agency requires for that purpose;

⁴ GOV/2020/15, para. 2, GOV/2023/25, para.17.

⁵ GOV/2020/15, paras 3 and 4; GOV/2020/30, paras 3 and 4.

⁶ GOV/2021/52, paras 2 and 14.

⁷ These activities involved the drilling and processing of natural uranium in the form of a metal disc in order to produce metallic flakes that were subsequently subjected to chemical processing on at least two occasions at this location (GOV/2022/26, para. 7).

⁸ Agency evaluations related to each of these three locations were provided in GOV/2022/26, Section D.

⁹ GOV/2022/34, operative para. 2.

¹⁰ GOV/2022/63, para. 9.

- (iv) Provide access to locations and material the Agency requires for that purpose, as well as for the taking of samples as deemed appropriate by the Agency.”¹¹

The Board also noted that that “the provision by Iran of this information and access and the subsequent verification by the IAEA pursuant to Iran’s NPT Safeguards Agreement is essential for the Secretariat to be in position to report the issues as no longer outstanding and thereby remove the need for the Board’s consideration and action on these issues”.

8. In the reporting period March–June 2023, Iran provided a possible explanation for the presence of depleted uranium particles at ‘Marivan’. On this basis, while its assessment of the undeclared nuclear-related activities that were undertaken by Iran at ‘Marivan’ remains unchanged,¹² the Agency regards the matter as no longer outstanding at this stage.¹³ Consequently, the outstanding safeguards issues for which the Agency is currently seeking clarifications from Iran relate to two undeclared locations in Iran.

C. Outstanding Safeguards Issues

C.1. Two undeclared locations

9. The Agency’s assessments of the outstanding safeguards issues related to two undeclared locations in Iran are as follows:

Varamin: The Agency assesses that Varamin was an undeclared pilot-scale plant used between 1999 and 2003 for the processing and milling of uranium ore and conversion into uranium oxide and, at laboratory scale, into UF₄ and UF₆.¹⁴ This location underwent significant changes in 2004, including the demolition of most buildings.¹⁵ The analytical results of environmental samples taken by the Agency at Varamin in August 2020 indicated the presence of anthropogenic uranium particles, consistent with uranium conversion activities, that require explanation by Iran. The Agency also assesses that there are indications, supported by the results of the environmental samples analysis, that containers removed from Varamin were eventually transferred to Turqzabad. However, the nuclear activities assessed by the Agency to have been carried out at Varamin do not explain the presence of the multiple types of isotopically altered particles found at Turqzabad.

Turqzabad: The Agency assesses that Turqzabad was involved in the storage of nuclear material and equipment.¹⁶ From early November 2018 onwards, the Agency observed, through the analysis of commercially available satellite imagery, scraping and landscaping activities at the location. In February 2019, the Agency took environmental samples at Turqzabad, the analytical results of which indicated the presence of multiple natural uranium particles of anthropogenic origin, and isotopically altered particles, including low enriched uranium particles with a detectable

¹¹ GOV/2022/70, operative para. 3.

¹² The analysis of all safeguards-relevant information available to the Agency related to ‘Marivan’ is consistent with Iran having conducted explosive experiments with protective shielding in preparation for the use of neutron detectors (GOV/2022/26, para. 20).

¹³ GOV/2023/26, Section C.2.

¹⁴ GOV/2022/26, para. 25.

¹⁵ GOV/2020/30, para. 4, second bullet.

¹⁶ Statement by the Deputy Director General for Safeguards to the Board of Governors, 7 November 2019, GOV/OR.1532, para. 11.

presence of U-236, and particles of slightly depleted uranium that require explanation by Iran. The Agency concluded that the containers that were stored at Turqzabad had either contained nuclear material or equipment that had been heavily contaminated with nuclear material, or both. The Agency assesses that while some of the containers stored at Turqzabad were dismantled at the location, others were removed from the location intact in 2018 and moved to an unknown location.¹⁷

10. As previously reported, with reference to the nuclear material particles identified at Varamin and Turqzabad, Iran stated in June 2023 that it had “exhausted all its efforts so as to discover the origin of such particles” and that “[t]here has not been any nuclear activity or storage in these locations”.¹⁸ In August 2023, Iran informed the Agency that none of the containers had been transferred intact from Turqzabad; they were all dismantled at the location.¹⁹ Iran also stated that it would provide this information to the Agency, as well as information related to the whereabouts of the dismantled containers.

11. However, during this reporting period, Iran has not provided the Agency with any information on the outstanding safeguards issues relevant to either of the two undeclared locations (see paragraph 27 below).

C.2. Discrepancy in nuclear material balance evaluation

12. As previously reported,²⁰ in March 2022, the Agency verified at the Uranium Conversion Facility (UCF) the dissolution of 302.7 kg of natural uranium, as declared by Iran, in the form of solid waste and items of uranium metal transferred from the Jaber Ibn Hayan Multipurpose Laboratory (JHL). The Agency identified a discrepancy that needed to be resolved in the amount of nuclear material it had verified compared to the amount declared by Iran. Iran confirmed the existence of a discrepancy (shortfall) and agreed to work with the Agency to address it.

13. As also previously reported,²¹ in April 2023, Iran provided to the Agency revised nuclear material accountancy reports for UCF which the Agency assessed to have neither addressed the discrepancy nor satisfied the requirements stipulated in Article 55 of Iran’s NPT Safeguards Agreement. Therefore, the Agency requested Iran to correct the nuclear material accounting records and reports.

14. In a letter dated 22 September 2023, the Agency provided Iran with a detailed explanation as to why it considered the information provided by Iran thus far not to have addressed the discrepancy, requested Iran to correct the nuclear material accounting records and reports, and urged Iran to re-consider its position on the matter.

15. During technical discussions between the Agency and Iran in Vienna during the week of the General Conference of 25-29 September 2023, Iran committed to engage on the nuclear material discrepancy at UCF before the end of October 2023.

16. During technical discussions between the Agency and Iran in Vienna on 8 November 2023, Iran provided to the Agency updated information regarding the discrepancy. The Agency is currently assessing this information and, as agreed with Iran, will conduct additional verification activities at UCF in the near future.

¹⁷ GOV/2022/26, para. 34.

¹⁸ INFCIRC/1094, paras 3 and 4.

¹⁹ GOV/2023/43, para. 23.

²⁰ GOV/2023/8, paras 47 and 48.

²¹ GOV/2023/26, para. 14.

C.3. Modified Code 3.1

17. The modified Code 3.1 of the Subsidiary Arrangements General Part to Iran's Safeguards Agreement provides for the submission to the Agency of design information for new nuclear facilities as soon as the decision to construct, or to authorize construction of, a new facility has been taken, whichever is the earlier. The modified Code 3.1 also provides for the submission of fuller design information as the design is developed early in the project definition, preliminary design, construction, and commissioning phases. Iran remains the only State with significant nuclear activities in which the Agency is implementing a comprehensive safeguards agreement but which is not implementing the provisions of the modified Code 3.1.

18. The Director General has reminded Iran on many occasions that implementation of modified Code 3.1 is a legal obligation for Iran under the Subsidiary Arrangements to its NPT Safeguards Agreement which, in accordance with Article 39 of that Agreement, cannot be modified unilaterally and that there is no mechanism in the Agreement for the suspension of implementation of provisions agreed to in the Subsidiary Arrangements.

19. As previously reported, Iran has made reference to having decided the locations for new nuclear facilities, for which it has not provided the Agency with preliminary design information despite having been requested to do so.²²

20. On 21 September 2023, the Agency repeated its request of Iran for preliminary design information as required under modified Code 3.1. While Iran had previously stated its readiness to work with the Agency to find a mutually acceptable solution to address the issue of new nuclear facilities, in a letter to the Agency dated 1 November 2023, Iran stated that "... implementation of modified code 3.1 is suspended. Therefore, currently the implementation of the initial Code 3.1 is the legal obligation for the Islamic Republic of Iran under the Subsidiary Arrangements (General Part) to the CSA, and it should be noted that design information for any new facilities... will be provided in due time". In its reply dated 3 November 2023, the Agency noted that Iran's position, as stated in its letter of 1 November 2023, indicated that Iran was no longer prepared to work with the Agency to find a mutually acceptable solution to address the issue of new nuclear facilities for which a decision to construct had been taken.

21. Iran continues not to implement modified Code 3.1 and claims that it is implementing the initial Code 3.1 as its legal obligation. The Agency reiterates that Iran's obligation is to implement modified Code 3.1.

D. Joint Statement

D.1. Background

22. On 4 March 2023, as a result of discussions between the Director General and the Vice-President of Iran and Head of the Atomic Energy Organization of Iran (AEOI), Mohammad Eslami, the Agency and the AEOI agreed a Joint Statement²³ as follows:

²² Information published on the AEOI website in June 2023 indicated that Iran has decided the locations for new power reactors and a new research reactor in Iran (GOV/2023/43, footnote 29).

²³ GOV/2023/9, Annex.

- Interactions between the IAEA and Iran will be carried out in a spirit of collaboration, and in full conformity with the competences of the IAEA and the rights and obligations of the Islamic Republic of Iran, based on the comprehensive safeguards agreement.
- Regarding the outstanding safeguards issues related to the three locations, Iran expressed its readiness to continue its cooperation and provide further information and access to address the outstanding safeguards issues.
- Iran, on a voluntary basis will allow the IAEA to implement further appropriate verification and monitoring activities. Modalities will be agreed between the two sides in the course of a technical meeting which will take place soon in Tehran.

23. It should be noted that Iran's obligations under its NPT Safeguards Agreement, including those referred to in Section C, are not dependent on the implementation or otherwise of any voluntary activities in relation to the Joint Statement.

24. Limited progress was made towards implementing the Joint Statement in the reporting period March-June 2023. In summary: Iran provided a possible explanation for the presence of depleted uranium particles at 'Marivan'; Iran provided information to the Agency that was not inconsistent with Iran's explanation for the origin of uranium particles containing up to 83.7% U-235 at one declared enrichment facility; Iran allowed the Agency to install monitoring equipment at two declared enrichment facilities; and Iran allowed the Agency to install surveillance cameras at workshops in Esfahan where centrifuge rotor tubes and bellows are manufactured, although without providing access to the data recorded by those cameras. Iran subsequently stated that the Agency's request to access this data "currently are not subjected to the Joint Statement".²⁴ No further progress was made in the following reporting period June-September 2023.²⁵

D.2. Developments since previous report

25. At a meeting held in Vienna during the General Conference on 25 September 2023, the Director General expressed his serious concern to Vice-President Eslami that there had been no progress in the implementation of any of the three agreed elements of the Joint Statement for several months. Indeed, with respect to Iran's decision to withdraw the designation of several experienced Agency inspectors designated for Iran, Iran had acted in contradiction of the "spirit of cooperation" agreed to by Iran in the first element of the Joint Statement (see Section D.2.1).²⁶

26. At the same meeting, the Director General also questioned Iran's continued commitment to the Joint Statement given that Iran appeared to have "frozen" its implementation. Vice-President Eslami indicated that he expected there would be no significant progress towards implementing the Joint Statement, particularly with regard to JCPOA nuclear-related commitments, while sanctions remained in place. The Director General reminded Vice-President Eslami that the Joint Statement had been agreed to by both parties and that Iran should implement it in good faith. It was agreed that further technical discussions should take place in Vienna during the remainder of the General Conference.

27. In those technical discussions in the margins of the General Conference, the Agency proposed to Iran two voluntary measures as the next steps under the Joint Statement. The first involved the installation of Agency cameras in the centrifuge component workshops at Natanz. The second involved the application by the Agency of a limited number of consistency checks of the stored data from these

²⁴ INFCIRC/1094, para. 9.

²⁵ GOV/2023/26, para. 26.

²⁶ GOV/INF/2023/14.

cameras, and from those cameras already installed at Esfahan, to be conducted during their three-monthly servicing. The Agency also requested Iran to provide the additional information concerning the containers at Turqzabad, to which it had referred in August 2023 (see paragraph 10 above), but Iran did not provide the information during the discussions, or subsequently. Iran described the Agency's request and proposed activities as "not acceptable", but made no alternative proposal.

28. The lack of progress in implementing any of the three elements of the Joint Statement, along with the added restrictions reflected in Iran's decision to de-designate several experienced Agency inspectors designated for Iran, put into question the possibility of continuing with its implementation.

D.2.1. De-designation of Agency inspectors

29. As previously reported,²⁷ in a letter to the Director General dated 16 September 2023, Iran informed the Agency of its decision to withdraw the designation of several experienced Agency inspectors designated for Iran. This followed a previous recent withdrawal of the designation of another experienced Agency inspector designated for Iran. This measure, while formally permitted by the NPT Safeguards Agreement, was exercised by Iran in a manner that directly and seriously affects the Agency's ability to conduct effectively its verification activities in Iran, in particular at the enrichment facilities. The Director General called upon Iran to reconsider its decision and to return to a path of cooperation with the Agency.

30. On 4 October 2023, Vice-President Eslami was reported as having said "the dismissed inspectors were from three European countries that regularly demonstrated harsh political behaviors, and we removed the inspectors from those countries from the list".²⁸

31. The Director General regards the linking by Iran of statements by IAEA Member States to the withdrawal by Iran of designations of Agency inspectors with the same nationality as extreme and unjustified: it effectively makes the independent technical work of the Agency subject to political interpretation of other Member States' views about Iran's nuclear activities. Iran's stance is not only unprecedented but unambiguously contrary to the cooperation that is required and expected in order to facilitate the effective implementation of its NPT Safeguards Agreement. It is also in direct contradiction to the "spirit of collaboration" invoked in the Joint Statement.

32. The Director General, in a letter dated 31 October 2023, informed Vice-President Eslami that Iran's sudden withdrawal of previously agreed designations for several Agency inspectors adversely affects the Agency's ability to conduct inspections and risks impeding the conduct of inspections as described in Article 9(a)(iii) of Iran's NPT Safeguards Agreement. The Director General, while acknowledging that Iran's NPT Safeguards Agreement permits it to object to the designation of Agency inspectors, requested Vice-President Eslami to reconsider the withdrawal of the designations for these inspectors, and agree for them to continue to conduct inspections in Iran.

33. In his reply, received by the Director General on 15 November 2023, Vice-President Eslami reiterated Iran's position that it was within its rights to de-designate the Agency inspectors and stated that the Agency's "assertion" of the potential risks of impeding the conduct of inspections "is not compelling and lacks any legal basis". Vice-President Eslami also stated that he was "exploring possibilities to address the request mentioned in your letter".

²⁷ GOV/INF/2023/14, para. 1.

²⁸ <https://www.tehrantimes.com/news/489752/IAEA-inspectors-expelled-for-political-behaviors-nuclear-chief>.

E. Summary

34. The Director General reiterates that the outstanding safeguards issues stem from Iran's obligations under its NPT Safeguards Agreement and need to be resolved for the Agency to be in a position to provide assurance that Iran's nuclear programme is exclusively peaceful.

35. In that context, the Director General regrets that once again there has been no progress in resolving the outstanding safeguards issues in this reporting period. Iran still has not:

- provided the Agency with technically credible explanations for the presence of uranium particles of anthropogenic origin at Varamin and Turqzabad and informed the Agency of the current location(s) of related nuclear material and/or of contaminated equipment; or
- implemented modified Code 3.1.

36. In relation to the discrepancy in the nuclear material balance evaluation relating to UCF, the Agency is assessing the information provided by Iran and will conduct additional verification activities at this facility in the near future. Currently, the discrepancy remains unresolved.

37. Despite numerous resolutions of the Board and many opportunities provided by the Director General over a number of years, Iran has neither provided the Agency with technically credible explanations for the presence of uranium particles of anthropogenic origin at two undeclared locations in Iran nor informed the Agency of the current location(s) of nuclear material and/or of contaminated equipment. In the absence of any technically credible explanations from Iran, the Agency has not changed its assessment either of the undeclared nuclear-related activities at the four locations referred to in paragraph 3 above or of the origin of the uranium particles of anthropogenic origin found at three of these four undeclared locations in Iran.

38. The Director General reiterates that unless and until Iran provides technically credible explanations for the presence of uranium particles at undeclared locations in Iran, informs the Agency of the current location(s) of the nuclear material and/or of the contaminated equipment, and resolves the discrepancy relating to UCF, the Agency will not be able to confirm the correctness and completeness of Iran's declarations under its NPT Safeguards Agreement.

39. In its resolution of November 2022, the Board of Governors decided that it was "essential and urgent in order to ensure verification of the non-diversion of nuclear material" that Iran clarify all outstanding safeguards issues. It is now one year later and Iran has not clarified all outstanding safeguards issues.

40. The Director General is seriously concerned that Iran appears to have "frozen" the implementation of the Joint Statement of 4 March 2023 for the past two reporting periods, and questions Iran's continued commitment to its implementation.

41. The Director General continues to strongly condemn Iran's sudden withdrawal of the designations of several experienced Agency inspectors, regards Iran's stance as not only unprecedented but unambiguously contrary to the cooperation that is required and expected in order to facilitate the effective implementation of its NPT Safeguards Agreement, and notes that Iran's actions are in contradiction of the "spirit of cooperation" agreed in the Joint Statement. The Director General also takes note of Vice-President Eslami's reply to his letter and expresses his hope that this matter will be resolved promptly.

42. The Director General will continue to report as appropriate.