

Board of Governors

GOV/2024/29 Date: 27 May 2024

Original: English

For official use only Item 7(f) of the provisional agenda (GOV/2024/23 and Add.1)

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. It covers the period since the issuance of the Director General's previous report.⁴

B. Background

2. 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

³ GOV/2023/9, Annex.

⁴ GOV/2024/8.

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 Joint Comprehensive Plan of Action (JCPOA), including the Additional Protocol (see GOV/INF/2021/13).

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

3. In 2019 and 2020, the Agency conducted complementary accesses at three of the four undeclared locations in $Iran^6$ – Turquzabad (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.⁷

4. In January 2022, the Agency provided Iran with its technical assessment of the safeguards issue related to Lavisan-Shian and informed Iran that it regarded the issue to be no longer outstanding at that stage.⁸ The Agency's assessment of the undeclared nuclear-related activities that were undertaken by Iran at Lavisan-Shian, however, remains unchanged.⁹

5. 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;
- (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

6. 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

¹⁰ GOV/2022/63, para. 9.

¹¹ GOV/2022/70, para. 3.

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

⁶ The Agency conducted a complementary access (CA) at Lavisan-Shian in 2004. As the location had undergone extensive sanitization and levelling in 2003 and 2004, the Agency assessed in 2021 that there would be no verification value in conducting another CA at this location (GOV/2021/15, para. 11).

⁷ GOV/2021/52, paras 2 and 14.

⁸ GOV/2022/5, paras 6 and 7.

⁹ 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. These activities and the nuclear material used therein were not declared by Iran to the Agency as required under the Safeguards Agreement (GOV/2022/5, para. 6 and GOV/2022/26, para. 7).

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).

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

7. 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 UF_4 and UF_6 .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 Turquzabad. 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 Turquzabad.

Turquzabad: The Agency assesses that Turquzabad 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 Turquzabad, 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 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 Turquzabad 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 Turquzabad were dismantled at the location, others were removed from the location intact in 2018 and moved to an unknown location.¹⁷

8. As previously reported, with reference to the nuclear material particles identified at Varamin and Turquzabad, 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

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.

¹⁷ GOV/2022/26, para. 34.

¹⁸ INFCIRC/1094, paras 3 and 4.

Turquzabad; 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, but it still has not done so.

9. In March 2024, Iran stated that "all Iran's nuclear material and activities have been completely declared to the Agency".²⁰ With respect to Varamin, Iran stated that there has "never been any undeclared location which is required to be declared under the CSA".²¹ With respect to Turquzabad, Iran stated that "[t]here has not been any nuclear activity or storage at this location".²²

C.2. Discrepancy in nuclear material balance

10. As previously reported,²³ 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 addressed 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.

11. In February 2024, Iran provided the Agency with corrected nuclear material accounting reports.²⁴ On the basis of these reports, the Agency considered, at UCF, the discrepancy in the nuclear material balance to have been rectified.²⁵ The rectification at UCF indicated that the amount of uranium contained in the solid waste sent from JHL to UCF for dissolution was less than had been declared by Iran in 2003-2004.²⁶

12. In a letter to Iran dated 22 May 2024, the Agency informed Iran that as a result of the rectification of the discrepancy at UCF, the Agency assessed that the material balance of the uranium involved in uranium metal production experiments conducted at JHL in 1995-2000 included an amount of nuclear material unaccounted for, which cannot be explained by accountancy measurement errors. The Agency also informed Iran that the Agency continues to evaluate additional complex technical elements related to the uranium metal production experiments.

C.3. Modified Code 3.1

13. 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

²⁵ GOV/2024/8, para. 15.

²⁶ GOV/2024/8, para. 38.

¹⁹ GOV/2023/43, para. 23.

²⁰ Communication from the Permanent Mission of the Islamic Republic of Iran to the Agency, INFCIRC/1183, 7 March 2024, para. 28.

²¹ INFCIRC/1183, 7 March 2024, para. 13.

²² INFCIRC/1183, 7 March 2024, para. 14.

²³ GOV/2023/8, paras 47 and 48.

²⁴ The corrected nuclear material accounting reports indicate that the amount of uranium contained in the solid waste, arising from undeclared conversion experiments conducted between 1995 and 2000, sent from JHL to UCF for dissolution, was less than had been declared by Iran in 2003-2004.

is developed early in the project definition, preliminary design, construction, and commissioning phases.²⁷ 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.

14. As previously reported, Iran has made a number of references 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.²⁸

15. Iran's position is that "implementation of modified code 3.1 is suspended"; "currently the implementation of the initial Code 3.1 is the legal obligation" for Iran "under the Subsidiary Arrangements (General Part) of the CSA"; and that "the relevant safeguards information for any new facilities... will be provided in due time".²⁹

16. 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. In a letter to Iran dated 20 February 2024, the Agency again reiterated that the Subsidiary Arrangements cannot be modified, or their implementation suspended, unilaterally by Iran. The Agency reminded Iran that Iran had accepted modified Code 3.1 in 2003 and that, according to Article 39 of Iran's Safeguards Agreement, the Subsidiary Arrangements can only be changed by agreement with the Agency. The Agency also informed Iran that the Joint Comprehensive Plan of Action (JCPOA) has no legal effect on Iran's obligations under its Safeguards Agreement and Subsidiary Arrangements thereto. Therefore, Iran's unilateral decision to stop implementation of modified Code 3.1 is contrary to its legal obligations set out in Article 39 of the Safeguards Agreement and in the Subsidiary Arrangements.

D. Joint Statement

D.1. Background

17. 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 Statement³⁰ as follows:

• 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.

²⁷ The initial Code 3.1 only required the submission of design information for a new facility "normally not later than 180 days before the facility is scheduled to receive nuclear material for the first time".

²⁸ 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). In November 2023, Vice-President Eslami made a statement referring to the excavation of the main building of the planned IR-360 reactor "in the coming days" and information available on the AEOI website referred to the "start of the executive operation of the construction of "Iran Hormoz" nuclear power plants by order of the president" (GOV/2024/8, para. 20).

²⁹ GOV/2024/8, para. 21.

³⁰ GOV/2023/9, Annex.

- Regarding the outstanding safeguards issues related to the three locations,³¹ 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.

18. 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.

19. Limited progress was made towards implementing the Joint Statement in the reporting period March-June 2023.³²

20. In 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.³³ However, Iran described the Agency's requests and proposed activities as "not acceptable", but made no alternative proposal.

21. As previously reported,³⁴ in 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. Moreover, the Director General regarded 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. Despite the Director General's requests to Iran to reverse its decision to withdraw the designations for these inspectors, Iran has not done so.

22. No further progress was made towards implementing the Joint Statement in the three reporting periods covering June 2023 to March 2024.

D.2. Developments since previous report

23. On 6–7 May 2024, the Director General met Vice-President Eslami, the late HE Mr Amir Abdollahian, Foreign Minister of Iran, and HE Mr Ali Bagheri Kani, the then Political Deputy of the Foreign Minister of Iran, in Tehran and Esfahan with a view to reinvigorating the Joint Statement. During these meetings, the Director General shared a series of concrete proposals related to each of the three elements of the Joint Statement with a view to making the Joint Statement operational. Iran agreed that the Joint Statement continues to provide a framework for cooperation with the Agency and for addressing the outstanding issues. Iran and the Agency agreed to schedule the next round of technical discussions as soon as possible.

24. On 20 May 2024, senior Agency officials met a senior representative of the AEOI in Tehran for scheduled technical discussions. Iran indicated that, due to the "special circumstances" prevailing at that time, it was no longer appropriate to hold substantive discussions on that date. In a letter dated

³¹ See paragraph 6 of this report.

³² GOV/2023/58, para. 24.

³³ GOV/2023/58, para. 27.

³⁴ GOV/INF/2023/14, para. 1.

21 May 2024, Iran suggested that discussions be continued in Tehran "on an appropriate date that will be mutually agreed upon".

25. In a letter to Iran dated 9 April 2024, the Agency requested that Iran provide access to the centrifuge rotor and bellows manufacturing workshops in Esfahan to enable the Agency to service the cameras that it had installed in March–June 2023. The Agency reminded Iran that such Agency equipment could not be left without being serviced for more than three months. The Agency, having received no reply from Iran, sent another letter on 3 May 2024, reminding Iran that these cameras should have been serviced in April 2024. At the aforementioned meeting in Tehran on 20 May 2024, Iran invited the Agency to service the cameras. On 21 May 2024, Agency inspectors successfully serviced the cameras at the workshops in Esfahan and the data they had collected since late December 2023 were placed under separate Agency seals and Iranian seals at the location.

26. Further public statements made in Iran during this reporting period regarding its technical capabilities to produce nuclear weapons and possible changes to Iran's nuclear doctrine only increase the Director General's concerns about the correctness and completeness of Iran's safeguards declarations.

E. Summary

27. 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.

28. In that context, the Director General regrets that the outstanding safeguards issues have not been resolved, as Iran has neither provided the Agency with technically credible explanations for the presence of uranium particles of anthropogenic origin at Varamin and Turquzabad nor informed the Agency of the current location(s) of related nuclear material and/or of contaminated equipment. Moreover, Iran has stated that it has declared all of the nuclear material, activities and locations required under its Safeguards Agreement.

29. Iran is still not implementing modified Code 3.1, having stated that such implementation is suspended.

30. The Director General has repeatedly made clear over a number of years that unless and until Iran provides technically credible explanations for the presence of uranium particles of anthropogenic origin at undeclared locations in Iran and informs the Agency of the current location(s) of the nuclear material and/or of the contaminated equipment, the Agency will not be able to confirm the correctness and completeness of Iran's declarations under its NPT Safeguards Agreement.

31. It is 18 months since 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. Instead, outstanding safeguards issues remain unresolved and Iran has stated that it has declared all of the nuclear material, activities and locations required under its Safeguards Agreement.

32. Notwithstanding Iran's statements, the Agency's assessment of the undeclared nuclear-related activities that took place at the four undeclared locations in Iran referred to above (paragraphs 3 and 4),

and of the origin of the uranium particles of anthropogenic origin found at three of these locations, remains unchanged.

33. The Director General deeply regrets that Iran has not reversed its decision to withdraw the designations of several experienced Agency inspectors. This remains essential to fully allow the Agency to conduct its verification activities in Iran effectively.

34. There has been no progress in the past year towards implementing the Joint Statement of 4 March 2023. The Director General welcomes Iran's agreement that the Joint Statement continues to provide a framework for cooperation with the Agency and for addressing the outstanding safeguards issues and calls upon Iran to implement the Joint Statement through serious engagement with the Agency's concrete proposals.

35. Further public statements made in Iran during this reporting period regarding its technical capabilities to produce nuclear weapons and possible changes to Iran's nuclear doctrine only increase the Director General's concerns about the correctness and completeness of Iran's safeguards declarations.

36. The Director General will continue to report as appropriate. The Director General reiterates to the new government of Iran his call for, and disposition to continue with, the high-level dialogue and ensuing technical exchanges commenced as a result of the meetings with Vice-President Eslami, the late Foreign Minister, HE Mr Amir Abdollahian, and the current Foreign Minister, HE Mr Ali Bagheri Kani, on 6-7 May 2024 in Tehran and Esfahan.