

Board of Governors

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Monitoring and Verification in the Islamic Republic of Iran in relation to the Joint Plan of Action

Report by the Director General

A. Introduction

1. On 24 November 2013, China, France, Germany, the Russian Federation, the United Kingdom and the United States of America (the E3+3) agreed on a Joint Plan of Action (JPA) with the Islamic Republic of Iran (Iran) in Geneva.¹ The Director General welcomed the JPA and informed the Board of Governors that the Secretariat was looking at the way in which the elements of the agreement relevant to the Agency could be put into practice, including the implications for funding and staffing.²
2. The preamble to the JPA states that “the goal for these negotiations is to reach a mutually-agreed long-term comprehensive solution that would ensure Iran’s nuclear programme will be exclusively peaceful.” As part of the first step towards this long-term solution, Iran is to undertake over a period of six months a series of “voluntary measures” (“near-term measures”) in relation to its nuclear programme.³
3. According to the JPA, “a Joint Commission of E3/EU+3 and Iran will be established to monitor the implementation of the near-term measures and address issues that may arise, with the IAEA responsible for verification of nuclear-related measures. The Joint Commission will work with the IAEA to facilitate resolution of past and present issues of concern.”

¹ The text of the JPA was communicated to the Director General by the High Representative of the European Union (EU), on behalf of the E3+3 (INFCIRC/855), and by the Resident Representative of Iran to the IAEA, on behalf of Iran (INFCIRC/856).

² Introductory Statement to the Board of Governors, 28 November 2013.

³ The agreement involves a reciprocal, step-by-step process between the E3/EU+3 and Iran.

4. On 12 January 2014, the E3/EU+3 and Iran agreed that the JPA would take effect as of 20 January 2014. In a joint letter to the Director General dated 13 January 2014 (see Annex), the E3+3 and Iran requested that the Agency “undertake the necessary nuclear-related monitoring and verification activities” in relation to the JPA. They also stated that the envisaged role of the Joint Commission in relation to the verification of the nuclear-related measures is to “act as a forum for dialogue to facilitate the IAEA’s work.”

5. In light of the above, the Director General requested that a meeting of the Board of Governors be convened on 24 January 2014 to enable him to consult the Board on the Agency’s monitoring and verification in relation to the nuclear-related measures set out in the JPA.

B. Agency Monitoring and Verification

6. The Agency has the authority to implement monitoring and verification in relation to the nuclear-related measures set out in the JPA. Monitoring and verification is to confirm that Iran has undertaken, as stated in the JPA, the following “voluntary measures” during the first six months:

- *From the existing uranium enriched to 20%, retain half as working stock of 20% oxide for fabrication of fuel for the TRR. Dilute the remaining 20% UF₆ to no more than 5%. No reconversion line.*
- *Iran announces that it will not enrich uranium over 5% for the duration of the 6 months.*
- *Iran announces that it will not make any further advances of its activities at the Natanz Fuel Enrichment Plant,ⁱ Fordow,ⁱⁱ or the Arak reactor,ⁱⁱⁱ designated by the IAEA as IR-40.*
 - i. Namely, during the 6 months, Iran will not feed UF₆ into the centrifuges installed but not enriching uranium. Not install additional centrifuges. Iran announces that during the first 6 months, it will replace existing centrifuges with centrifuges of the same type.*
 - ii. At Fordow, no further enrichment over 5% at 4 cascades now enriching uranium, and not increase enrichment capacity. Not feed UF₆ into the other 12 cascades, which would remain in a non-operative state. No interconnections between cascades. Iran announces that during the first 6 months, it will replace existing centrifuges with centrifuges of the same type.*
 - iii. Iran announces on concerns related to the construction of the reactor at Arak that for 6 months it will not commission the reactor or transfer fuel or heavy water to the reactor site and will not test additional fuel or produce more fuel for the reactor or install remaining components.*
- *Beginning when the line for conversion of UF₆ enriched up to 5% to UO₂ is ready, Iran has decided to convert to oxide UF₆ newly enriched up to 5% during the 6 month period, as provided in the operational schedule of the conversion plant declared to the IAEA.*
- *No new locations for the enrichment.*
- *Iran will continue its safeguarded R&D practices, including its current enrichment R&D practices, which are not designed for accumulation of the enriched uranium.*
- *No reprocessing or construction of a facility capable of reprocessing.*

- *Enhanced monitoring:*
 - *Provision of specified information to the IAEA, including information on Iran's plans for nuclear facilities, a description of each building on each nuclear site, a description of the scale of operations for each location engaged in specified nuclear activities, information on uranium mines and mills, and information on source material. This information would be provided within three months of the adoption of these measures.*
 - *Submission of an updated DIQ for the reactor at Arak, designated by the IAEA as the IR-40, to the IAEA.*
 - *Steps to agree with the IAEA on conclusion of the Safeguards Approach for the reactor at Arak, designated by the IAEA as the IR-40.*
 - *Daily IAEA inspector access when inspectors are not present for the purpose of Design Information Verification, Interim Inventory Verification, Physical Inventory Verification, and unannounced inspections, for the purpose of access to offline surveillance records, at Fordow and Natanz.*
 - *IAEA inspector managed access to:*
 - *centrifuge assembly workshops;^{iv}*
 - iv. Consistent with its plans, Iran's centrifuge production during the 6 months will be dedicated to replace damaged machines.*
 - *centrifuge rotor production workshops and storage facilities; and*
 - *uranium mines and mills.*

7. The E3/EU+3 and Iran have kept the Agency updated regarding their discussions on the implementation of the initial measures set out in the JPA. During recent meetings of the E3/EU+3 and Iran, partly also involving the Agency, issues related to the nuclear-related measures to be implemented were clarified. This has enabled the Secretariat to develop the necessary detailed monitoring and verification plan.

8. A number of activities additional to those currently being carried out by the Agency in Iran will need to be conducted to confirm Iran's undertakings under the JPA, and will be reported to the Board of Governors. These additional activities will require additional effort by the Agency. In particular, the frequency of the Agency's current in-field verification activities will need to be increased significantly; access to locations other than those at which the Agency currently conducts verification activities will need to be undertaken; more safeguards equipment will need to be procured and installed; more sample analysis will need to be carried out; and, due to the increased volume and nature of information to be provided by Iran as part of the enhanced monitoring measures, more analytical work will need to be conducted.

C. Resource Implications

9. The additional effort will incur increased costs to the Agency. The Secretariat's initial estimate of the cost of the Agency's monitoring and verification activities in relation to the JPA, which may be subject to revision at a later stage, is that an additional sum of approximately 6 million euros is needed over the next six months.

10. The Department of Safeguards will re-prioritise some of its work, re-schedule certain existing activities and re-allocate a number of staff, as necessary, to absorb part of the additional workload. However, as this is only expected to cover about 0.5 million euros, extrabudgetary voluntary contributions of about 5.5 million euros are needed for the initial six-month period.

11. In the event of agreement between the E3+3 and Iran on subsequent steps under the JPA, the Director General would re-assess the resource implications and report to the Board of Governors as necessary.

D. Reporting

12. The Director General will inform the Board of Governors of the status of Iran's nuclear programme on the day the JPA is due to take effect and, in addition to his quarterly reports,⁴ plans to provide the Board with monthly updates on the implementation of the Agency's monitoring and verification in relation to the nuclear-related measures set out in the JPA.

E. Recommendations

13. It is recommended that the Board of Governors:

- (a) endorse the Agency undertaking monitoring and verification in relation to the nuclear-related measures set out in the JPA, in response to the request by the E3+3 and Iran, subject to the availability of funds; and
- (b) take note of the Director General's report.

⁴ On the "Implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions in the Islamic Republic of Iran" (the most recent report was GOV/2013/56, 14 November 2013).