Commentary

Iran and the IAEA

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In a significant turn of events, the International Atomic Energy Agency (IAEA) on September 24, 2005, adopted a resolution (22-1 with 12 countries abstaining) calling upon Iran to accelerate its cooperation with the Agency in terms of revealing its 'secret' nuclear programme failing which the issue will be referred to the United Nations Security Council (UNSC).[1] Although the resolution does not set a stipulated deadline for the UNSC referral, perhaps with the intention to leave time for further diplomatic manoeuvring, it does once again reiterate that Tehran fully commits itself to the NPT and resume talks with Britain, France and Germany the three European powers (EU-3). This process had started in November 2004 between Tehran and the EU-3, wherein the latter had offered to support Iran's entry into the 'Expert Group of Multilateral Approaches to the Nuclear Fuel Cycle', negotiate a 'Trade and Cooperation Agreement' and support Iran's accession to the 'World Trade Organization' negotiations if Iran froze its 'weapons' programme. It also had US support. In fact, the US president had, in Feb 2005, reiterated: "Diplomacy is always the President's, or at least always my first choice and we've got a common goal, and that is Iran should not have nuclear weapon".[2] However, Tehran's unfortunate decision to break the IAEA seals in order to resume uranium conversion at Isfahan shortly after Mahmoud Ahmadinejad was sworn in as president, led to the suspension of almost a year-long dialogue process.

India, as one of the IAEA Board members was one of the 22 countries which voted in favour of the resolution. Russia and China, the two veto-wielding Security Council members, abstained from voting. Russia is helping build a civilian nuclear power plant near Bushehr and in the past China has contributed towards facilitating Tehran's nuclear infrastructure. Amongst the non-aligned states like Brazil, Indonesia, Malaysia and South Africa, there is a deep sense and understanding that all countries have 'a basic and inalienable right' to develop civilian nuclear energy. The question

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of referring Iran to the UNSC will not come up before November, when the 35-member IAEA board meets again. With a divided vote within the IAEA, it cannot be definitively ascertained if Tehran's nuclear imbroglio merits a case for any UN sanctions or even a 'military' one under the 'threat to international peace and security'. The window, therefore, remains open for negotiations. Indeed, as pointed out by the Iranian Secretary of Supreme National Security Council (SNSC) Ali Larijani, on September 27, 2005, "Iran accepts negotiation offers from every country including the Europeans".[3]

Iran's Violations

For almost three years now, Iran's nuclear programme has been subject to contestations. Tehran continues to maintain that its nuclear programme is strictly for civilian purposes and that it reserves the right to retain control over its nuclear fuel cycle for the development of its nuclear energy within the framework of NPT, to which it is a signatory since 1970. According to the Article IV of the NPT, states have 'inalienable rights to develop research, production and use of nuclear energy for peaceful purposes', and to that extent, have the 'right to participate in, the fullest exchange of equipment, materials and scientific and technological information for peaceful uses of energy.'

This point was further reiterated recently at the UNGA by President Ahmednijad who accused the West of "nuclear apartheid". He asserted, "Those hegemonic powers, who consider scientific and technological progress of independent and free nations as a challenge to their monopoly on these instruments of power...have misrepresented Iran's healthy and fully safeguarded technological endeavours in the nuclear field as pursuit of nuclear weapons".[4]

However, contrary to Iranian claims, the IAEA has over the past three years reported several nuclear transgressions, which are not in accordance with Iran's safeguards obligations as required by the NPT. For instance, the IAEA report pointed out the importation of 1800 kg of natural uranium from China in 1991 without seeking prior approval. This importation contained of 1000 kg of uranium hexafluoride (UF6), 400 kgs of uranium tetraflouride (UF4) and another 400 kgs of uranium oxide (UO2), which was subsequently used for various experimentation purposes.

Similar concerns have also been raised regarding the construction of the two centrifuge enrichment facilities at Natanz without providing prior design information to the IAEA. The first was a small-scale pilot fuel enrichment plant (PFEP) with a capacity to hold 1000 centrifuges out of which several were functional. In addition to this, Tehran had also planned a robust centrifuge plant that could eventually hold up to 50,000 centrifuges.

Tehran also had concealed information about 'enriching' uranium, and worse, about its secret centrifuge procurements which had already begun in as early as 1987 through foreign 'intermediaries'. Although Tehran had acknowledged to the IAEA of having acquired 'P-1' type of centrifuges from foreign sources, it did not, until Libya's disclosure, admit to having procured more advanced 'P-2' or 'Pak-2' designs of centrifuges. 'Pak-2' are second-generation centrifuges which use maraging steel or composite rotors instead of aluminum rotors and can produce nuclear fuel far more quickly than the earlier 'P-1' design centrifuge. These designs were acquired from Pakistan through "private-network" of Pakistani scientist A Q Khan. IAEA's investigations confirm that the drawings shown were the same as the one provided to Libya, thereby establishing a clear Pakistani role in proliferation.

Patterns of Denial

Iran's heavy water plant at Arak also has been a source of contention. Tehran initially, in February 2003, informed the IAEA that the purpose of this facility is to produce heavy water with the possibility of exporting it. Later, in May 2003, it stated that the heavy water produced could potentially be used as a 'moderator' for the production of radioisotopes for medical and industrial use. According to safeguards agreement, Iran provided the IAEA with the drawings of the proposed facility, which 'intentially' omitted the hot cell design, necessary for the production of radioisotopes.

Iran's nuclear acquisitions, therefore, show a mix of motives. From the technical standpoint, if Iran completed the range of facilities, which it intends to construct over the years, it would certainly have an indigenous nuclear fuel-cycle capability. One motivation perhaps could be that Tehran wants to develop an indigenous fuel-cycle capability for its Bushehr light-water reactor, which, as of today, is dependent upon Russian fuel supply. Notwithstanding this, the possibility of diversion of this fuel for extracting

plutonium remains minimal, as the plant's fuel-supplier Russia has a 'buy-back' arrangement of spent-fuel.

Secondly, the extraction of plutonium from the Bushehr light-water reactors is difficult, by virtue of reactor's design, which would require the reactor to be completely shut down before the fuel could be collected, a step which is very difficult to conceal.[5] Some weapon experts reason that the reactor-grade plutonium is difficult to be manipulated for military purposes, and historically, no weapons-programme has ever relied on it.[6] As a result, the issue of Bushehr as a 'proliferation' concern is misplaced. Moreover, as revealed from the IAEA's findings, if Iran were to acquire weapons, most of the processes: dissolution, purification, production of uranium metal are only at an experimental stage. Iran's pilot uranium-enrichment facility at Natanz is way short of producing weapons-grade uranium and its heavy-water plant at Arak is under construction. Therefore, technically, Iran's nuclear infrastructure, as it exists today, cannot be exclusively regarded as 'military'. It is possible, as Iran claims, that its efforts in the field of nuclear technology are focused on civilian application and nothing else.

But, it is also clear, that Tehran's behaviour; its pattern of denials, concealment and evasions, raise fundamental doubts about its nuclear intent. Successive IAEA reports bring out this point. Indeed to extend the argument further, during the past three years of inspections, Tehran has successfully used its 'violations' as a leverage to bargain with the IAEA, the European Union and the US.

In November 2004, Iran and the EU-3 signed a bilateral agreement.[7] According to the agreement, Iran pledged on its part the following:

- Voluntarily implement Additional Protocol until it is ratified
- Suspend enrichment and reprocessing activities, specifically the manufacture and import of gas centrifuge and components
- Suspend Plutonium separation
- Suspend all testing at uranium conversion installations

This confidence-building measure from the Iranian side was intended to set terms for negotiations towards a mutually long-term arrangement between the two parties. As a result of this deal, it was understood, that a steering committee would be set up which in turn would establish working

groups to address political and security issues, technology and economic cooperation, and nuclear issues. Throughout the negotiation, the EU-3 adopted a strategy of 'inducement' in return for Tehran's freeze on its nuclear fuel-cycle.

However, with the breaking up of IAEA seals in order to resume uranium conversion, Tehran has compromised the dialogue, leaving no other choice for the EU-3 but to push through an IAEA resolution for a referral to the Security Council.

Diplomacy, Engagement and Rapprochement

Iran has sharply reacted to the recent IAEA resolution, to the extent of hardening its own attitude and making a case that its 18-year history of non-compliance with the IAEA is based on its inalienable right to acquire civilian nuclear technology. Indeed well before the IAEA voting, Ali Larijani had warned that Tehran could review its economic ties with states, which have so far not defended Iran's rights. Perhaps it was a direct threat to states like India, which are energy starved and have plans to construct a natural gas pipeline from the Iranian port of Assaluyeh to the Indian state of Rajasthan through Pakistan. Unfortunately, such threats do not augur well for the principles of international law and norms of global governance. The Iran-EU-3 negotiations therefore assume special significance. The geopolitical dimensions of hydrocarbons ties Iran to the world and this interlinked dependency is a reality that cannot be wished away; Iran cannot afford to disengage itself from the rest of the world. Not surprisingly, on September 28, 2005, a senior Iranian official, Ali Agha Mohammadi, denied reports that its gas deal with India was off. He categorically stated: "We have had good, deep relations with India in many fields and regional affairs and their behavior at the IAEA was strange and we didn't expect them to vote against Iran. We don't want to review our current relations with India and their vote against Iran doesn't affect the gas project."[8] This again confirms the impression that Tehran would continue with a realist foreign policy, wherein issues are judged on their merit and in one's own national interest.

There is no denying the fact that Iran reserves the 'right' for peaceful uses of nuclear energy under Article IV of the NPT. However, given Iran's past denials about its nuclear programme and concealment of information, the international community is justified in demanding complete

transparency. It cannot be disputed that Iran has failed to comply with its safeguards agreement, which is the only means of determining a state's compliance to the NPT obligations. Given the history of Iran's nuclear programme being developed for many years in secret, the suspicion that it wants to develop nuclear weapons along with energy, persist.

Having said that, there is also a history of Iran's cooperation with the IAEA. Iran has signed the Additional Protocol although it is pending ratification. Moreover, if Iran wants to retain its right to peaceful uses of nuclear energy, it cannot be asked to abrogate its entire fuel cycle. Coercion of any form would only harden its position. Interrupted fuel supplies to Iran's Bushehr reactor could also be ensured. This particular reactor would use low enriched uranium. If the spent fuel is returned, as is the present Iranian arrangement with Russia, the possibility of extracting plutonium will be difficult. The fear of weapon development may thus not be wellfounded. Apart from this, the offer by the Iranian president of partnership in Iran's uranium enrichment programme through private and public sector participation is also worth examining. Monitored agreements along with intrusive verification measures, which would eventually come into force as and when Iran ratifies the Additional Protocol, should be more effective in preventing Tehran from acquiring nuclear weapons. As IAEA Director-General, Dr Mohamed ElBaradei, had once pointed out: "verification and diplomacy, used in conjunction can be effective."[9] Such options need to be explored.

References/End Notes

1 Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran, Resolution Adopted on September 24, 2005, GOV/2005/77

2 "Bush says diplomacy remains his first choice", February 19, 2005 , *Peoples Daily* Online, at http: //english.people.com

3 "Iran accepts negotiation offers from every country", September 27, 2005, at http://www.irna.in/en/news

4 Full text of the President speech at the General Assembly, United Nations, September 17, 2005

5 Dealing with Iran's Nuclear Programme , *ICG Middle East Report* No. 18 , October 27, 2003, p.8

6 Ibid.

7 IAEA Information Circular INFCIRC/637 , November 26, 2004

[8] "Iran denies shift in India ties", September 28, 2005, at http://news.bbc.co.uk/2/hi/south_asia/4288958.stm

[9] "[V]erification and diplomacy, used in conjunction, can be effective", Statement to the Forty-eighth Regular Session of the IAEA General Conference 2004, by IAEA Director-General Dr. Mohamed ElBaradei, September 20, 2004.

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