



SECURITY COUNCIL REPORT UPDATE REPORT



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IRAN

Expected Council Action

At press time Council members were discussing the draft of a third sanctions resolution on Iran, sponsored by France, Germany and the UK aimed at increasing pressure on Iran to suspend uranium enrichment activities. The sponsors said they hope to vote on the draft before the end of February, but because of a likelihood of abstentions and a desire to avoid them, negotiations may continue. A lack of unanimity – for the first time on the Iran issue – would weaken the Council's message.

Key Recent Developments

On 22 February, the Director General of the International Atomic Energy Agency (IAEA), Mohamed ElBaradei, issued a report on the implementation of the Non-Proliferation Treaty Safeguards Agreement and Council resolutions 1737 and 1747 in Iran. The report covered developments on the implementation of the August 2007 work plan between Iran and the IAEA to resolve outstanding issues. It noted that:

- All outstanding issues were resolved except for alleged “weaponisation” studies on the “green salt project” (uranium processing, high explosives and a missile warhead design that could have a military nuclear dimension) which remains a major issue of concern.
- The IAEA was able to conclude that Iran's answers were consistent with its findings except for contamination at the technical university and procurement activities of the former head of Physics Research Centre.
- Iran provided access to individuals following the IAEA's request.
- Although the IAEA did not detect any use of nuclear material in connection with the alleged studies, it was not yet in a position to determine the full nature of Iran's nuclear programme because Iran has not yet given inspectors full access to inspect nuclear-related sites.

On implementation of the Additional Protocol to the Non-Proliferation Treaty, the Agency reported that its knowledge of Iran's declared nuclear programme became clearer with new provision of information, but that this was not enough. Finally, ElBaradei reported that Iran had still not suspended uranium enrichment activities and even started developing a new generation of centrifuges. The report will officially be presented to the IAEA Board of Governors on 3 March.

A draft resolution based on elements agreed among the E3 plus 3 (France, Germany and the UK plus China, Russia and the US) was introduced to the rest of the Council on 21 February by the UK and France. It tightens sanctions against Iran because of its non-compliance with the two previous Council resolutions demanding that Iran suspend uranium enrichment. In particular, it includes:

- A call on all states to exercise vigilance regarding entry into or transit through their territories of

individuals engaged in Iran's proliferation-sensitive activities and a demand to notify the sanctions committee when individuals listed in the two previous resolutions or new individuals listed in annex I of the draft resolution enter or transit through their territories.

- A travel ban on some individuals listed in previous resolutions (and in annex II of the draft resolution).
- Additional names of persons and entities subject to assets freeze (in annex III of the draft resolution).
- A call to exercise vigilance in granting export credits to Iran.
- A call to exercise vigilance over the activities of financial institutions with Iranian banks.
- An embargo on nuclear-related dual-use items, with the exception of items for exclusive use in light water reactors and for technical cooperation with the IAEA. (Previous measures related to dual-use items were only discretionary.)
- A call upon states to inspect cargoes to and from Iran if there are reasonable grounds to believe that they may contain prohibited items.

The draft also welcomes progress in implementing the work plan between Iran and the IAEA, and stresses that resolving the issues would help in re-establishing confidence. It emphasises readiness of the E3 plus 3 to enhance diplomatic efforts to resume dialogue as long as Iran suspends uranium enrichment. It also encourages the E3 plus 3 Envoy, EU High Representative Javier Solana, to continue communications with Iran. Following the usual practice, the draft requests a report from EIBaradei within 90 days on suspension of uranium enrichment and all steps required by the IAEA Board of Governors to re-establish confidence.

These new measures appear to constitute a modest increment from resolution 1747.

The draft had been informally circulating since 1 February and the P5 met with all Council members to discuss it (bilaterally and collectively). But several elected Council members (Indonesia, Libya, South Africa and Vietnam) were waiting for the EIBaradei report to start discussions on the substance. It seems that only Belgium and Italy made proposals for minor amendments to the draft (expanding the tasks of the sanctions committee to bring it in line with the new resolution and clarifying Javier Solana's role), which were incorporated. In addition, several Council members apparently asked for additional explanation about cargo inspections, concerned with potential costs and influence on commercial relations with Iran.

On 4 February Iran reported it had launched a rocket from its new space centre in the Semnan province. A Russian official said this raised suspicions about Iran's nuclear programme. Iran also stated that it was testing an advanced nuclear centrifuge. The US said that this strengthened the case for a third sanctions resolution.

Also, media reports on 15 February revealed that the US shared intelligence data with the IAEA showing that Iran has tried to develop a nuclear weapon in the past, especially information on the "green salt project". The findings came from an Iranian laptop that the CIA acquired in 2004. Ali Asghar Soltanieh, Iran's envoy to the IAEA, called the data "100 percent fabricated and forged."

Options

Options on potential amendments are limited because of the sponsors' apparent reluctance to modify the substance of the draft. But they could include more elements from the EIBaradei report, in particular strengthening language on:

- The role of the IAEA.
- The right to peaceful use of nuclear energy.

- Positive developments on cooperation between Iran and the IAEA.

Key Issues

The main issue is whether this resolution will be adopted unanimously. Because Iran and the IAEA have not resolved all outstanding issues, some Council members may maintain their position that any action at this stage could hamper cooperation between the two. In addition, some may say that further action might not be needed at present given the positive developments reported, as establishing confidence is at a delicate stage. Bilateral pressure is therefore likely to be exerted on those reluctant members, since a lack of consensus would diminish prospects for Iran's compliance with previous Council demands.

A related issue is the extent to which elements of the ElBaradei report are likely to be reflected in the resolution – as a way to accommodate the reluctant members.

Council Dynamics

At press time the official position of Indonesia, South Africa, Vietnam and Libya was still unknown. But those members have previously expressed reservations about the idea of a third sanctions resolution while cooperation between Iran and the IAEA is progressing. This is why they refused to engage in discussions on the draft resolution before the ElBaradei report.

It seems that some within this group of members also believe that the role of the IAEA should be re-emphasised and that if all questions are resolved, the Council's involvement should end since the existence of hidden nuclear activities prompted the Council to act in the first place.

The US and the Europeans hold a different view. They say Iran has not complied with previous demands to suspend uranium enrichment and that, in itself, contributes to the lack of confidence and prompts calls for increased pressure on Iran.

However, some of the reluctant members may still propose amendments to weaken the draft.

The role of the IAEA and the necessity to keep the window of negotiations open is also important for many, including China, which has indicated willingness to emphasise the need for a strengthened parallel diplomatic track.

An important question is also whether the P5 consensus will hold if several elected members signal their decision to abstain.

Overall, the definition of confidence remains a divisive issue. While the US and the Europeans believe that confidence cannot be re-established until Iran agrees to suspend uranium enrichment, others think that resolving outstanding issues would be sufficient. Some also have suspicions that some Western powers, like the US, are aiming for regime change, which they say will not help attain the ultimate goal: that Iran does not seek to develop nuclear weapons.

Within the European Union, there has been no agreement to move forward on sanctions without another Council resolution because of the reluctance of some members including Sweden, Germany and Italy. It is the practice of the EU, however, to adopt measures to implement a new Council resolution.

UN Documents

Security Council Resolutions

- S/RES/1747 (24 March 2007) imposed additional measures against Iran and reinforced existing ones.
- S/RES/1737 (23 December 2006) imposed measures against Iran under Chapter VII, article 41, of the UN Charter.
- S/RES/1696 (31 July 2006) demanded that Iran suspend all enrichment-related and reprocessing activities.

Latest IAEA Board Resolution

- GOV/2006/14 (4 February 2006) underlined the necessary steps that Iran should take to re-establish confidence in the peaceful nature of its nuclear programme and reported the issue to the Security Council.

Latest IAEA Report

- GOV/2008/4 (22 February 2008)

IAEA/Iran Work Plan

- INFCIRC/711 (27 August 2007)

Latest Letters

- S/2008/117 (20 February 2008) was a letter from Iran protesting remarks by the Israeli prime minister and an Israeli ambassador threatening to use military action against Iran.
- S/2008/110 (19 February 2008) was a letter from Israel protesting remarks by two senior members of the Iranian government threatening Israel with complete destruction.

Other Relevant Facts

Iran Confidence-building measures required by the IAEA Board of Governors in GOV/2006/14

- Re-establish full and sustained suspension of all enrichment-related and reprocessing activities, including research and development, to be verified by the Agency.
- Reconsider the construction of a research reactor moderated by heavy water.
- Ratify promptly and implement in full the Additional Protocol to the Non-Proliferation Treaty.
- Pending ratification, continue to act in accordance with the provisions of the Additional Protocol which Iran signed on 18 December 2003.
- Implement transparency measures, as requested by the Director General, including in GOV/2005/67, which extend beyond the formal requirements of the Safeguards Agreement and Additional Protocol, and include access to individuals, documentation relating to procurement, dual use equipment, certain military-owned workshops and research and development as the Agency may request in support of its ongoing investigations.

Useful Additional Sources

- IAEA press release: Latest Iran Safeguards Report Delivered to IAEA Board, 26 February 2008
<http://www.iaea.org/NewsCenter/News/2008/iranreport0208.html>
- IAEA Iran – A Balanced Safeguards Report, David Albright and Jacqueline Shire, 22 February 2008
<http://www.isis-online.org>

- Iran Installing More Advanced Centrifuges at Natanz Pilot Enrichment Plant: Factsheet on the P-2/IR-2 Centrifuge, David Albright and Jacqueline Shire, The Institute for Science and International Security (ISIS), 7 February 2008
<http://www.isis-online.org>