Report

## IAEA's Second JCPOA Report: Key Information Still Missing

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On May 27, 2016, the International Atomic Energy Agency (IAEA) released its second <u>report</u> on Iran's compliance with United Nations Security Council (UNSC) resolution 2231 (2015). UNSCR 2231 codified into international law the Joint Comprehensive Plan of Action (JCPOA), an agreement reached between the P5+1 and Iran in July 2015 aimed at limiting Iran's nuclear program.

Although Iran appears to be living up to most of its general commitments, the IAEA report continues to lack technical details about critical implementation issues. The following is a list of questions about missing information or data that the IAEA has routinely detailed in earlier reports, but that has been missing from both of the Post-Implementation Day reports.

It would greatly increase transparency of the JCPOA's implementation if the IAEA released this missing information. Without this information, an independent determination of whether Iran is complying with the JCPOA is not possible. The lack of information also inevitably leads to questions about the adequacy of the IAEA's JCPOA verification effort. The IAEA strategy, evident in the first two reports, appears to be that it is committed to only report violations in detail. However, this strategy is not credible and undermines confidence that the JCPOA is being verified. It also raises a fundamental question: if the IAEA is unwilling to provide routine and adequate transparency, can it be trusted to be transparent every time a violation occurs? It is in fact unclear if the IAEA has reported all the violations thus far. It also appears that the IAEA is not reporting information relevant to loopholes in the agreement that Iran is exploiting.

1) How much 3.67% low enriched uranium (LEU) exists in Iran and in what forms? What amount has been sent out of the country and what forms? What amount has been downblended? How much LEU and natural uranium has been produced at Natanz during the last reporting period?

The reports simply states that Iran has continued the enrichment of  $UF_6$  at the Natanz fuel enrichment plant, has not enriched above 3.67 percent U-235, has not exceed the 300 kilograms (kg) cap, and has recovered 35.7 kg of uranium from the EUPP process lines and

downblended 12 kg of uranium. The report does not provide information on the specific size of Iran's this 3.67 percent LEU stock, its various forms, locations, and details pertaining to its monthly enrichment capacity. It does not state that Iran has enriched depleted uranium up to the level of natural uranium at the Natanz Fuel Enrichment Plant, or how much was produced. This enrichment is an apparent loophole in the 300 kg cap condition of the JCPOA, where the intention was to strictly limit enrichment activities at Natanz. Additionally, the report implied that there is more LEU in the EUPP process lines that is slated for recovery, but the actual amount is not given.<sup>1</sup> With regards to this LEU in the EUPP, has Iran asked to exempt any of it from the 300 kg cap?

## 2) What is the number of centrifuges enriching at the Natanz enrichment plant? What number and types of advanced centrifuges are now operating at Natanz?

No information is reported in the most recent two IAEA reports.

### 3) Have all centrifuges at Fordow been removed as specified in the JCPOA? What is the status of development of Fordow into a research center?

The report omits information on these categories.

4) What is Iran's inventory of near 20 percent LEU? Under a secret arrangement, negotiated last fall by the United States, Iran agreed that its fresh fuel elements containing near 20 percent LEU would have to be irradiated to an agreed upon level. What is that irradiation level, and is the type of irradiation adequate, in the sense that it significantly inhibits Iran from diverting the fuel? In any case, has all near 20 percent LEU met this irradiation condition?

The IAEA report has not provided the amount of near 20 percent LEU that remains in Iran, all of which supposedly must be in the form of Teheran Research Reactor (TRR) fuel assemblies.

# 5) What is the status of Iran's heavy water temporarily stored in Oman? Who owns this material? Is the IAEA going to provide accounting of the presence and status of this material in Oman?

The IAEA report states that as of May 9, 2016, Iran had 116.7 metric tonnes of heavy water, and that Iran had not exceeded the 130 metric tonne cap throughout the reporting period. Iran was able to reduce its stock of heavy water by exporting about 50 tonnes of it to a storage in Oman. The United States intends to buy about 32 tonnes of Iranian heavy water

<sup>&</sup>lt;sup>1</sup> For detailed information about Iran's 3.67 percent LEU stock see David Albright, "Update on Iran's Stocks of 3.5 Percent Low Enriched Uranium: Blocking unjustified exemptions to the 300 kilogram cap," May 27, 2016, <u>http://isis-online.org/uploads/isis-</u>

reports/documents/Update on Irans Stocks of 35 Percent LEU May 23 2016 Final rev may 27 2016.pdf.

stored here.<sup>2</sup> However, it remains unclear who owns this exported material. Iran seems to think it has control over this material, which implies ownership. Atomic Energy Organization of Iran chief Ali Akbar Salehi implied ownership over the material in a recent press report.<sup>3</sup> If this is the case, why is it not counting toward the cap like any "out-of-country" material would under normal safeguards? Can this material be easily returned to Iran? If so, under what conditions?

### 6) What activities has Iran undertaken with regard to centrifuge R&D?

The IAEA report only states that Iran's enrichment R&D with and without uranium has been conducted within the JCPOA limits, and that no enriched uranium has been accumulated through enrichment R&D activities. However, no information on the operational status of Iran's advanced centrifuges is provided. How many advanced centrifuges are involved in these R&D activities? Which advanced centrifuges are being used?

### 7) Has Iran conducted verification activities relating to former sites of banned weaponization activities?

The report states that the IAEA conducted "complementary accesses under the Additional Protocol to sites and other locations in Iran." It is not specific about whether inspectors visited former sites of concern such as the Parchin military complex, which is the location of a site linked to high explosive work related to the development of nuclear weapons. Since the IAEA was unable to form a conclusion about such nuclear weapons related activities when it visited the site during the fall of 2015 as part of its investigation into Iran's possible military nuclear activities, it should be conducting periodic visits to such sites throughout the JCPOA's duration in order to ensure that the activities are not ongoing. It should also visit such sites as part of its effort to reach a Broader Conclusion.

### 8) Is the IAEA participating in the functions of the Procurement Channel?

The report states that during this reporting period, the IAEA did not attend any meetings of the Procurement Working Group (PWG) of the Joint Commission. No other details pertaining to the Procurement Channel are available in the report. There have been several problems in creating the Procurement Channel that were unsettled.<sup>4</sup> The IAEA, in particular,

<sup>&</sup>lt;sup>2</sup> Dee David Albright and Andrea Stricker, "U.S. Purchase of Iran's Heavy Water: Encouraging a Dangerous Nuclear Supplier," May 23, 2016, <u>http://isis-online.org/uploads/isis-</u>

reports/documents/Heavy\_Water\_Purchase\_23May2016\_final.pdf.

<sup>&</sup>lt;sup>3</sup> "AEOI Chief: Iran's N. Program Undergoing Technological Enhancements," Fars News Service, May 14, 2016. http://en.farsnews.com/newstext.aspx?nn=13950225000938.

<sup>&</sup>lt;sup>4</sup> See David Albright and Andrea Stricker, "The Iran Nuclear Deal's Procurement Channel: Overcoming Post-Implementation Day Issues," April 21, 2016, <u>http://isis-online.org/uploads/isis-</u>

reports/documents/JCPOA\_Procurement\_Channel\_Post\_Implementation\_Day\_21April2016\_Final1\_1.pdf.

needs to monitor the end use of Iran's direct nuclear use procurements and should be involved in the PWG's meetings.

The lack of detailed technical information in the most recent IAEA report makes impossible any independent determination of Iran's compliance with the terms of the JCPOA. The IAEA continues to withhold vital data about the status of Iran's nuclear program, which undermines public transparency and confidence in the agreement. P5+1 governments, particularly the United States and Europe, need to insist that the IAEA release more information. The U.S. Congress in particular should review this situation and consider legislation aimed at creating the necessary transparency. Any absence of pressure on the IAEA allows Iran to potentially hide minor and significant compliance problems from public knowledge. Organizations like our Institute and the media will be forced to independently determine the true situation in order to ascertain Iran's compliance with the JCPOA. This is not the transparency that was promised by U.S. officials in particular in the lead up to Implementation Day.