INSTITUTE FOR SCIENCE AND INTERNATIONAL SECURITY

REPORT

IAEA's First Post-Implementation Day Report: Key Information Missing

By David Albright, Serena Kelleher-Vergantini, and Andrea Stricker

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On February 26, 2016, the International Atomic Energy Agency (IAEA) released its first report 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. Implementation Day of the JCPOA occurred on January 16, 2016, a date by which Iran was required to be in compliance with a series of technical limitations on its nuclear program.

Implementation Day was only about six weeks ago, and the IAEA report shows that Iran appears to be living up to most of its commitments. However, the IAEA report is unfortunately devoid of details about critical implementation issues, including the amounts of low enriched uranium (LEU) in Iran, the nature of centrifuge rotor and bellows manufacturing, and advanced centrifuge research and development activities. This is the first IAEA report in years that does not provide an inventory of near 20 percent LEU in Iran, and provides a vague inventory, and no production details, for the amount of less than 5 percent LEU. The lack of data and information in the report make it impossible to make any independent determination of Iran's compliance.

By failing to provide more information about the status of key technical aspects of Iran's nuclear program and the implementation of its JCPOA commitments to date, the IAEA is withholding vital data about the status of Iran's nuclear program. It risks undermining public transparency and confidence in the agreement. Without this critical implementation reporting, the public and the media will depend on leaks for reliable information. This is not a standard that the IAEA should seek to emulate. We call on the IAEA to provide better reporting on the status of Iran's nuclear programs under the JCPOA.

Key Findings

One possible issue of compliance relates to Iran's production of rotor tubes and bellows. The report stated that the IAEA had verified and monitored the production of **other** types of centrifuge and their rotor tubes and bellows and then specified that Iran declared that it had

ceased manufacturing rotor tubes on February 22, 2016. This cessation is to be verified during the IAEA's next visit. Is this a potential indication of a violation? The Associated Press reported, based on a statement by an anonymous diplomat, that there was some disagreement about compliance with regard to "Iranian manufacture of some components used in advanced centrifuges."

In addition, according to the IAEA report, "Since Implementation Day, Iran has provided to the Agency declarations of Iran's production and inventory of centrifuge rotor tubes and bellows and permitted the Agency to verify these (para. 80.1)." However, the IAEA has not been able to verify that these declarations are complete, in the sense that Iran declared all its centrifuge rotors and bellows.

One minor compliance issue concerns heavy water. During the first month of JCPOA implementation, Iran was in violation of the cap on the amount of heavy water it is allowed to possess. The JCPOA places a 130 metric tonnes cap on the amount of nuclear grade heavy water Iran is allowed to possess prior to the commissioning of the modified Arak reactor. However, as of February 17, 2016, it possessed slightly above that amount, or 130.9 tonnes of heavy water. It went below the cap on February 24, when it shipped out 20 metric tonnes of heavy water.

The report is devoid of data about LEU inventories that have been routinely detailed in earlier reports.

> **1) 3.67% LEU stocks:** The IAEA report is missing key information about the specific amounts and forms of LEU in Iran. The reports simply states that Iran's stock of 3.67 percent LEU does not exceed 300 kilograms (kg). Although no further details are provided, several questions arise: given that Iran resumed enrichment on January 23, how much has it enriched? How close is it to the cap? Another issue concerns the stock of this LEU at the Enriched UO_2 Powder Plant (EUPP). The report states that Iran's stock of 3.67 percent LEU accounts for 20-40 kg of enriched uranium that "Iran has stated are recoverable from the process lines at the [EUPP]." Has the IAEA verified this quantity? As of January 2016, about 340 kg (UF_6 mass) were in intermediate forms at the EUPP. Was all but 20-40 kg of this enriched uranium discharged from the plant's process lines and shipped out of Iran? Or is some of it still in the EUPP and somehow non-recoverable or just unaccounted for? Is Iran's stock of 3.67 percent LEU really below 300 kg? Without data, one is left to speculate.
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> **2) 20% LEU stocks:** This is the first IAEA report in years that does not provide any details pertaining to Iran's inventory of near 20 percent LEU. How much near 20 percent LEU remains in Iran? Why is this critical number not included in the report? Earlier IAEA reports show that there was already a compliance issue on the amount of near 20 percent LEU that would remain in Iran. That issue was likely resolved positively. Regardless of how that issue was resolved, however, the IAEA should reveal how much near 20 percent LEU is in Iran and in what forms.

The IAEA attended one Procurement Working Group meeting as an observer, but did not report on what happened at this meeting. There have been several problems in creating the Procurement Working Group that remain unsettled today.

The IAEA report has new language about its inability to verify the absence of undeclared activities in Iran. Post-Implementation Day, the IAEA now states: IAEA "activities under the Additional Protocol, to ascertain that there are no indications of undeclared nuclear material or activities in Iran, commenced on 16 January 2016." The bottom line remains that the IAEA cannot determine that all of Iran's nuclear activities are peaceful.