A. Introduction

1. In March 2007, the Director General informed the Board of Governors that on 13 February 2007 the Parties to the Six-Party Talks\(^1\) agreed in Beijing, China, on Initial Actions\(^2\) for the implementation of the Joint Statement issued by them on 19 September 2005\(^3\). He also informed the Board that on 23 February 2007 he had received an invitation from the Democratic People’s Republic of Korea (DPRK) to visit the DPRK to “develop the relations between the DPRK and the Agency, as well as to discuss problems of mutual concerns”. In the Initial Actions the Parties agreed, inter alia, that the DPRK “will shut down and seal, for the purpose of eventual abandonment, the Yongbyon nuclear facility, including the reprocessing facility, and invite back IAEA personnel to conduct all necessary monitoring and verifications as agreed between IAEA and the DPRK”. The Board welcomed the agreement on the Initial Actions and expressed the view that a successfully negotiated settlement of this long-standing issue, maintaining the essential verification role of the Agency, would be a

\(^{1}\) China, Democratic People’s Republic of Korea, Japan, Republic of Korea, Russian Federation, United States of America.

\(^{2}\) “Initial Actions for the Implementation of the Joint Statement” issued as GOV/INF/2007/6, dated 2 March 2007, at the request of the Resident Representative of the People’s Republic of China, as Chairman of the third phase of the fifth round of the Six-Party Talks.

\(^{3}\) “Joint Statement on the Korean Peninsula Nuclear Issue” issued as GOV/INF/2007/14, dated 2 July 2007, at the request of the Resident Representative of the People’s Republic of China, as Chairman of the fourth round of the Six-Party Talks.
significant accomplishment for international peace and security. In this regard, the Board welcomed
the invitation extended to the Director General by the DPRK to visit the DPRK.

2. The Director General visited the DPRK on 13 and 14 March 2007 and reported to the Board of
Governors in June 2007 on the results of his visit. The Board, while emphasizing the importance of
continued dialogue for achieving a peaceful and comprehensive resolution of the DPRK nuclear issue
and early denuclearization of the Korean Peninsula, welcomed the visit of the Director General to the
DPRK and his discussions with DPRK officials which had focused on re-establishing the relationship
between the DPRK and the Agency.

3. On 16 June 2007 the Director General received an invitation from the DPRK to send an Agency
team to discuss procedural matters related to the monitoring and verification arrangement on the
shutdown of the Yongbyon nuclear facility. This letter and the Director General’s response thereto,
dated 18 June 2007, were circulated to the Board4.

4. An Agency team, headed by the Deputy Director General for Safeguards, visited the DPRK
during the period 26 to 29 June 2007. The team visited the Nuclear Fuel Fabrication Plant, the
5 MW(e) Experimental Nuclear Power Plant, the Radiochemical Laboratory (reprocessing plant) and
the 50 MW(e) Nuclear Power Plant (under construction), all of which are located at Yongbyon. The
DPRK informed the team that these facilities, and the 200 MW(e) Nuclear Power Plant (under
construction), which is located in Taechon, will be shut down and sealed pursuant to the Initial
Actions.

B. Monitoring and Verification

5. During the visit of the Agency team to the DPRK, understanding was reached on the following
arrangement:

(a) The Agency will receive from the DPRK a list of facilities5 that have been shut down and/or
sealed, and subsequently the Agency will be kept informed of their status with a view to
monitoring and verifying the shutdown and/or sealing of the declared facilities;

(b) The Agency will have access to all facilities and equipment that have been shut down and/or
sealed for the purpose of its monitoring and verification activities;

(c) The Agency will install, and service as necessary, appropriate containment and surveillance
(C/S) and other devices to monitor and verify the status of the shutdown and/or sealed
facilities and equipment. If C/S measures cannot be applied because of practical reasons, the
Agency and the DPRK will agree on the implementation of other appropriate verification
measures;

5 The inventories will be provided later in accordance with the Initial Actions.
(d) The Agency will examine and verify information on the design of the shutdown and/or sealed facilities and document the status of these facilities photographically or through video recordings. Re-verification of such information will be performed periodically;

(e) The Agency will be informed in advance if the DPRK intends to change the design and/or status of facilities and equipment so that consultations can be held with the DPRK about the impact such changes may have on the Agency’s monitoring and verification work;

(f) The Agency will be informed in advance if the DPRK intends to move or remove any nuclear-related equipment or other essential equipment or components from the shutdown nuclear facilities or decommission any of these facilities. The Agency will be provided appropriate access to verify such equipment, components, and/or activities;

(g) The DPRK will maintain all records relevant to the Agency’s monitoring and verification activities;

(h) The Agency will be provided the necessary visas for Agency personnel, and will be extended the same privileges and immunities as those set out in the relevant provisions of the Agreement on the Privileges and Immunities of the International Atomic Energy Agency (INFCIRC/9/Rev.2) for Agency property, funds and assets, its personnel and other officials in exercising their functions under this arrangement;

(i) The Agency will be provided with full information on the health and safety procedures at the relevant facilities;

(j) The Agency and the DPRK will consult on issues related to the costs of implementation; and

(k) The above measures will be subject to periodic review by the DPRK and the Agency.

6. The Agency is authorized in accordance with Article III.A.5 of its Statute to “…apply safeguards, at the request of the parties, to any bilateral or multilateral arrangement, or at the request of a State, to any of that State’s activities in the field of atomic energy”. This authorization does not require the State to be a member of the Agency and does not prescribe a particular form or substance for safeguards arrangements. The monitoring and verification in the DPRK will therefore be consistent with the Statute. At this stage such monitoring and verification will be implemented in accordance with the ad hoc arrangement contained in paragraph 5 above.

7. The monitoring and verification activities in the DPRK were not foreseen and therefore there is no provision for the conduct of such monitoring and verification in the Agency’s current budget or the proposed budgets for the 2008–2009 biennium. The Director General therefore requests Member States to provide the Agency with the resources necessary for the Agency to perform the monitoring and verification activities agreed to between the DPRK and the Agency. It is the understanding of the Director General that Member States are ready to provide the Agency with the necessary resources for this purpose. It is estimated that the cost would be €1 700 000 for 2007 and €2 200 000 for 2008.

C. Recommendations

8. It is recommended that the Board:
(a) note the Joint Statement and the Initial Actions;

(b) authorize the Director General, subject to the availability of funds, to implement the ad hoc arrangement contained in paragraph 5; and

(c) request the Director General to keep the Board and the Parties to the Six-Party Talks informed as appropriate.