Iran’s Nuclear Veil
How to increase transparency under the Joint Comprehensive Plan of Action

Valerie Lincy
Gary Milhollin

IRAN WATCH REPORT
February 1, 2017
Executive Summary

The day is fast approaching when the new American administration, led by President Donald J. Trump, will conduct an unfriendly review of the nuclear pact with Iran reached in 2015. No one knows what this review will produce. If the President decides to "enforce the terms of the [...] deal to hold Iran totally accountable," as he promised during his campaign, a first step should be to make Iran’s nuclear status more transparent. Transparency is a benefit that the Joint Comprehensive Plan of Action (JCPOA) was supposed to deliver, but did not. Instead, a sort of diplomatic veil has been drawn around Iran’s nuclear status, obscuring important parts of it from public view. As a result, it is difficult to know whether the limits on Iran’s nuclear progress are being maintained and the verification procedures established by the deal are functioning properly.

The new administration, without any political bias in favor of the deal, should be willing to drop the veil and let the public see as deeply into the deal as originally promised. The administration should insist that reports by the International Atomic Energy Agency be restored to their previous level of detail. There is nothing in U.N. Security Council resolution 2231 (which sets the rule for inspections under the JCPOA) that requires the IAEA to report less now than it did before the agreement was implemented. Without more detailed public reporting, it is impossible to judge whether Iran remains at least one year away from being able to fuel a nuclear weapon—the deal’s milestone achievement.

The new administration could also ask the Joint Commission, which was created by the JCPOA to administer it, to abandon the confidentiality imposed by the agreement. The Commission can change its own operating procedures and should do so in favor of transparency on nuclear exemptions granted to Iran, on challenge inspections by the IAEA, and on proposed nuclear sales. Likewise the U.N. Security Council should disclose its decisions on Iran’s missile development, on proposed military sales by or to Iran, and on approval of nuclear sales to Iran.

More transparency should be welcomed by all. If Iran is shown to be performing, that fact will undercut claims that it cannot be trusted. If Iran is shown to be cheating, that fact will undercut claims that it can be trusted. Either way, the public will come out ahead. It will have gained an amount of truth in what some people fear may be a new, post-factual era.
Introduction

The day is fast approaching when the new American administration, led by President Donald J. Trump, will conduct an unfriendly review of the nuclear pact with Iran reached in 2015. No one knows what this review will produce. If the President decides to "enforce the terms of the [...] deal to hold Iran totally accountable," as he promised during his campaign, a first step should be to make Iran’s nuclear status more transparent. Transparency is a benefit that the Joint Comprehensive Plan of Action (JCPOA) was supposed to deliver, but did not. Instead, a sort of diplomatic veil has been drawn around Iran’s nuclear status, obscuring important parts of it from public view. As a result, it is difficult to know whether the limits on Iran’s nuclear progress are being maintained and the verification procedures established by the deal are functioning properly.

President Obama claimed the deal would furnish “the most robust and intrusive inspections and transparency regime ever negotiated for any nuclear program in history.” However, the promised transparency has not materialized.

There are two reasons for this opacity: first, the terms of the JCPOA, which provide expressly that the work of the bodies set up to implement it shall be confidential; second, new resolutions by the U.N. Security Council and the International Atomic Energy Organization (IAEA), which replace a series of punitive resolutions from both bodies. The nuclear deal and the new resolutions were negotiated by the Obama administration, which wished to enshrine the agreement as a foreign policy victory and avoid scrutiny that might draw attention to its flaws.

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The lack of transparency is most evident in the work of the multilateral Joint Commission, set up under the deal to resolve disputes. Its deliberations and even its final decisions are confidential. Thus the public may never find out, for example, if Iran had limited inspectors’ access to a suspect site, or was importing sensitive nuclear items, or was dispensed from respecting one of the many nuclear material or activity caps enshrined in the agreement. And the IAEA, long the major source of reliable data on Iran’s nuclear progress, is now issuing reports with a fraction of the information it provided in the past. As a result, there is uncertainty about whether Iran remains at least one year away from being able to fuel a nuclear weapon—the deal’s milestone achievement.

The new administration, free of any political bias in favor of the deal, should be willing to drop the veil and let the public see as deeply into the deal as originally promised. This increased transparency would be welcomed by both critics and supporters of the agreement. It could be accomplished by reinterpreting the scope of the IAEA’s public reporting and changing the rules that govern the Joint Commission. Neither would require renegotiating the deal itself.

**Nuclear Reporting**

In February 2016, the IAEA published its first report on Iran’s compliance with the JCPOA after its "Implementation Day." The brevity of the report came as a surprise: a scant seven pages, compared to previous reports that routinely ran over 20 pages and included detailed technical annexes. The post-Implementation Day reports—there have now been four—offer a far narrower view of Iran’s nuclear wherewithal.

Crucially, the new reports fail to include important details that are needed for outside experts to independently assess Iran’s nuclear status and its compliance with the agreement. The charts below compare what the IAEA reported before and after Implementation Day. Where in the past, for example, the IAEA published a precise inventory of Iran’s stockpile of low-enriched uranium (LEU), including a detailed accounting of all LEU stockpiles, production, and flows, now the IAEA merely publishes a statement that Iran has not exceeded its overall limit on LEU—without offering any more specific information on the quantity or forms of Iran’s LEU stockpile. Likewise, the IAEA’s post-Implementation Day reports offer far less detail on the centrifuges.

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7 Subsequent post-Implementation Day reports are less than five pages each.
operating at Iran’s nuclear facilities, the amount of enriched uranium they are producing, Iran’s research and development work on advanced centrifuges, and other aspects of its nuclear conversion and fuel manufacturing work. The level of detail needed to assess Iran’s nuclear status is simply not present. This is all the more baffling because, as a result of the deal, Iran is provisionally applying the Agency’s "Additional Protocol," which requires Iran to open additional sites to inspectors and provide a greater amount of information about its stockpiles and nuclear plans. The IAEA is collecting more information, but disclosing less of it to the public.

Below are tables that present a side-by-side comparison of the IAEA’s reporting on Iran’s nuclear program before and after Implementation Day. They show that the nuclear agreement, which promised unprecedented visibility, has actually provided less transparency and less public information.

### Reporting on LEU Stocks in Gaseous Form (Up to 5%)

<table>
<thead>
<tr>
<th>Before Implementation Day</th>
<th>After Implementation Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Amount of low-enriched UF6 produced</td>
<td>• Statement that total stock of UF6 enriched to 3.67% did not exceed 300kg</td>
</tr>
<tr>
<td>• Increase in amount of this UF6 since last report</td>
<td></td>
</tr>
<tr>
<td>• Annex with details on UF6 production and flows</td>
<td></td>
</tr>
</tbody>
</table>

### Reporting on LEU Stocks (Up to 20%)

<table>
<thead>
<tr>
<th>Before Implementation Day</th>
<th>After Implementation Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Amount produced at Natanz and Fordow (As of 2014 Joint Plan of Action)</td>
<td>• Statement that Iran is not enriching above 3.67%</td>
</tr>
<tr>
<td>• Amount fed into conversion process</td>
<td>• Statement that Iran transferred, diluted, or fabricated into fuel plates all uranium oxide enriched to between 5% and 20%</td>
</tr>
<tr>
<td>• Amount downblended</td>
<td></td>
</tr>
<tr>
<td>• Amount stored as UF6</td>
<td></td>
</tr>
</tbody>
</table>

### Reporting on Centrifuges at the Natanz Fuel Enrichment Plant

<table>
<thead>
<tr>
<th>Before Implementation Day</th>
<th>After Implementation Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Number of IR-1s installed</td>
<td>• Number of 1R-1s installed</td>
</tr>
<tr>
<td>• Number of IR-1s operating</td>
<td>• Number of centrifuges withdrawn from storage to replace failed or damaged units</td>
</tr>
<tr>
<td>• Number of IR-2ms installed</td>
<td></td>
</tr>
<tr>
<td>• Number of centrifuges placed in storage</td>
<td></td>
</tr>
</tbody>
</table>
**Reporting on Centrifuges at the Fordow Fuel Enrichment Plant**

<table>
<thead>
<tr>
<th>Before Implementation Day</th>
<th>After Implementation Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Number of IR-1s installed</td>
<td>• Number of IR-1s “maintained”</td>
</tr>
<tr>
<td>• Number of IR-1s operating</td>
<td></td>
</tr>
<tr>
<td>• Number of centrifuges placed in storage</td>
<td></td>
</tr>
</tbody>
</table>

**Reporting on Advanced Centrifuge Research and Development**

<table>
<thead>
<tr>
<th>Before Implementation Day</th>
<th>After Implementation Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Models fed with natural UF6</td>
<td>• Statement that Iran has conducted enrichment in line with its long term plan</td>
</tr>
<tr>
<td>• Number of each model installed and size of cascades</td>
<td></td>
</tr>
<tr>
<td>• Amount of natural UF6 fed into advanced centrifuges</td>
<td></td>
</tr>
</tbody>
</table>

**Reporting on Additional Information**

<table>
<thead>
<tr>
<th>Before Implementation Day</th>
<th>After Implementation Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Natural UF6 produced at the Uranium Conversion Facility (UCF)</td>
<td>• Size of heavy water stockpile</td>
</tr>
<tr>
<td>• Natural UF6 converted into other forms at UCF</td>
<td></td>
</tr>
<tr>
<td>• Details of nuclear fuel manufacturing at multiple facilities using natural and enriched uranium</td>
<td></td>
</tr>
<tr>
<td>• An updated list of declared nuclear facilities in Iran</td>
<td></td>
</tr>
</tbody>
</table>

This limited reporting has been attributed to a new U.N. resolution. As of Implementation Day, reporting was no longer driven by the Agency’s "absence of confidence that Iran’s nuclear program is exclusively for peaceful purposes" – the conclusion that sent Iran’s case to the Security Council in 2005.\(^8\) Rather, the IAEA’s governing board resolved that the Agency has "become seized of a separate agenda item covering JCPOA implementation and verification and monitoring in Iran in light of United Nations Security Council resolution 2231."\(^9\) In a March 2016


interview, IAEA Director-General Yukiya Amano explained the distinction: "In the previous reports the bases were the previous U.N. Security Council resolutions and Board of Governors. But now they are terminated. They are gone. The basis of our report is the resolution of the United Nations Security Council 2231 and the Board of Governors resolution adopted on the 15th of December. [...] And as the basis is different, the consequences are different.”\(^\text{10}\) In other words, it is no accident that there is less transparency now. The architects of the deal minted a new U.N. resolution that could be interpreted to make it that way. Now the consequences of that decision are being felt.

The JCPOA also allows Iran to request exemptions from the deal’s requirements. However, neither such requests, nor the Joint Commission’s decisions, are included in IAEA reports. For example, the IAEA has never mentioned a series of exemptions that Iran received in order to expedite the implementation of the nuclear deal in January 2016. As first reported by the Institute for Science and International Security in September 2016, the exemptions fell into three categories. First, 3.5 percent LEU contained in low level nuclear waste was not counted toward the 300 kilogram cap on LEU, and Iran was given a pass on the near 20 percent LEU contained in "lab contaminant," which was judged "unrecoverable." Second, Iran received permission to continue operating 19 "hot cells" larger in size than permitted by the agreement. Third, Iran was allowed to bypass the 130 ton limit on heavy water by storing heavy water in Oman that nevertheless remained under Iranian control.\(^\text{11}\) None of these exemptions are described in any of the IAEA’s reports, though all have an impact on the ability to assess Iran’s nuclear status.

Nor do the Agency's reports describe how Iran is carrying out its "long-term enrichment and research and development enrichment plan," which Iran has submitted to the IAEA as a requirement of the nuclear agreement. The agreement allows for limited work on several more powerful centrifuge models but perfecting their operation would decrease Iran’s nuclear breakout time. Therefore, public information on the work is essential for an assessment of


\[^{11}\text{David Albright and Andrea Stricker, Institute for Science and International Security, JCPOA Exemptions Revealed, September 1, 2016, available at http://isis-online.org/isis-reports/detail/jcpoa-exemptions-revealed/} \]
Iran's nuclear status, as former IAEA deputy director Olli Heinonen has argued.\(^{12}\) Iran is publicizing this work on its own so why shouldn’t the IAEA report on it? For instance, on January 28, Iran’s atomic energy organization announced that it had begun feeding uranium into its IR-8 centrifuge, which it called the "the most advanced generation of centrifuges."\(^ {13}\)

**Nuclear Inspections**

In the past, the IAEA was careful to give narrative accounts of its inspections of key Iranian nuclear sites. These accounts named the specific sites visited, gave dates of inspection and specific methods of inspection, listed specific equipment inspected and requests to interview Iranian personnel, described the issues raised and explanations received by the inspectors, and listed any unresolved questions. This allowed the public to know the questions the IAEA was pursuing, the level of cooperation it was receiving from Iranian authorities, and whether questions were being resolved to the Agency’s satisfaction.

Since Implementation Day, the reports contain none of this detail. Instead, they merely state that the IAEA has "conducted complementary accesses under the Additional Protocol to sites and other locations in Iran."\(^ {14}\) Not even the sites visited are mentioned.

There is also the question of "challenge" inspections. The JCPOA provides a mechanism for mounting inspections of suspicious, undeclared sites in Iran. How the IAEA would gain access to such sites was one of the most contentious issues in the nuclear talks. The compromise reached in the agreement allows the IAEA to inspect a suspicious site if five of the eight members of the Joint Commission agree. This process, including adjudication by the Commission, could take up to 24 days.\(^ {15}\) While this process is clearly described in the agreement, it is not clear how much information about it would be made public. Given the known limits on IAEA reporting and the

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general secrecy of the workings of the Joint Commission, there is cause for skepticism that any meaningful information about challenge inspections would ever come to light. In fact, over one year after the agreement's implementation, it is unclear whether a single challenge inspection has been sought or mounted.

This question is particularly important in light of Iran's claim that its military sites remain off-limits. The Supreme Leader’s foreign policy advisor, Ali Akbar Velayat, told al Jazeera on July 25, 2015 that "The access of inspectors from the International Atomic Energy Agency or from any other body to Iran's military centers is forbidden." Foreign Minister Javad Zarif similarly assured the Iranian Parliament in July 2015 that he made sure access to military sites was a "red line." Nevertheless, these are sites to which, under the deal, Iran is obligated to provide access if the Joint Commission requires it. Access to military sites is crucial because the IAEA in the past has uncovered evidence of undeclared nuclear work at such sites, like the Parchin military complex, and reported on it. The IAEA has also connected military entities to illicit nuclear procurement. The IAEA must establish clear modalities for accessing these sites, and should test them as soon as possible.

The Joint Commission

The JCPOA established a multilateral Joint Commission to act as the dispute resolution and oversight body for the agreement. It includes representatives from each of the P5+1 countries (China, France, Germany, Russia, the United Kingdom, and the United States), Iran, and the European Union. The Commission has crucial responsibilities. They include issuing decisions on disputes by parties, on challenge inspections, on nuclear procurement requests, and on requests for exemption from nuclear restrictions.

According to media reports, the Commission has met at the ministerial level about six times in order to discuss nuclear exemptions requested by Iran, as well as Iran's dissatisfaction with the pace of economic relief.

However, the Commission operates under rules of confidentiality imposed by the agreement. The Commission does not even issue a broad public report, as does the IAEA. Instead, its deliberations and decisions are secret. Late last year, the Commission released eight documents related to its work, including four decisions made before Implementation Day that exempted Iran from meeting some of the nuclear restrictions the JCPOA was designed to impose. It is not clear whether the documents are the totality of the Commission’s decisions or just a selection.

When the American press broke the news last September of the secret nuclear exemptions the Commission gave Iran, State Department spokesperson John Kirby took pains to repeat that “the work of the Joint Commission, as stipulated in the agreement itself, is to be confidential.” Mr. Kirby would not comment on any decision of the Commission and even refused to use the word “exemption.” The Commission’s secrecy on this point is troubling because the Commission can grant exemptions in a broad range of areas—exemptions that could loosen the very restrictions that the agreement imposes. Specifically, the Commission can approve exemptions for research and development on uranium-metal based fuel; the operation of additional or larger hot cells; mechanical testing of new types of centrifuges; the export of enrichment or enrichment-related equipment and technology; and the development, acquisition, or use of multi-point detonators that could be used to trigger a nuclear explosion. Iran could receive an exemption for any of this activity, and the public might never know.

This veil of secrecy also enshrouds the Procurement Working Group, a technical body overseen by the Commission whose role is to review proposals for nuclear exports to Iran through an official procurement channel. The group has apparently met to discuss a handful of sales requests. According to a December 2016 report by the U.N. Secretary General, five proposed


21 JCPOA, Annex IV – Joint Commission, 2.1.
sales have been submitted: three were approved and two were under review. However, there is no description of the item to be exported, the end-user, or the end use.

Finally, as discussed above, the public may never be informed about disputes and decisions on the inspection of suspicious, undeclared sites in Iran—one of the most important and potentially contentious mechanisms created by the agreement.

The U.N. Security Council

U.N. Security Council resolution 2231, which officially implements the JCPOA, carries forward an embargo on arms imports and exports. It also restricts ballistic missile development. The Security Council is charged with enforcing these restrictions for five years for conventional arms, and eight years for ballistic missiles. However, the Security Council has the authority to approve requests that bypass these restrictions, and its decision to do so is confidential. According to the Secretary General's December 2016 report, the Council already has received one request to sell conventional arms to Iran. That request is "still under consideration." There have been Russian media reports that Iran and Russia are actively discussing the sale of $10 billion worth of military hardware, including tanks, artillery, and aircraft. If the Security Council were to approve such a request, the public may only learn about it once the arms are delivered.

The Security Council also has a role in the nuclear procurement channel. It issues a final decision on proposals for the sale of sensitive nuclear items to Iran, based on advice provided by the Procurement Working Group. As explained above, the Security Council has thus far

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approved three such sales and is considering a further two. Nothing specific is known about these requests, or the criteria used by the Council to make its decision.

Resolution 2231 does ask that the Secretary General report on the implementation of the resolution's provisions over which the Security Council has authority. Two such reports have been issued thus far, and have provided useful, albeit general, information. Both have described violations by Iran related to arms exports and missile tests; both also have concluded that without consensus among Security Council members, the provisions of the resolution cannot be enforced.

**How to fill the transparency gap?**

If the Trump administration decides to honor and enforce the agreement, it should start by increasing transparency. Such a step would be seen as modest and even reasonable, a reaction the administration should welcome. Although the rules governing the agreement do not require such an increase in clarity, they do not prevent it either.

First, the administration should insist that the IAEA reinterpret U.N. Security Council resolution 2231. That resolution sets the rule. It asks the IAEA to "undertake the necessary verification and monitoring of Iran's nuclear-related commitments [...]" under the agreement. And it asks for "regular updates [...] on Iran's implementation." But it says nothing about what the updates should contain. The resolution tells the IAEA what is "necessary" to inspect, but not what is "necessary" to report. Thus, there is nothing in the resolution that requires the IAEA to report less now that it did before the agreement was implemented. The IAEA has simply chosen to report less, and has cited resolution 2231 without true justification. The new U.S. administration is free to challenge that choice, and to insist that the reporting be restored to its original level of detail.

Second, the new administration could ask for a change in the rules governing confidentiality at the Joint Commission. The JCPOA states only that the Commission's work "is confidential [...] unless the Joint Commission decides otherwise." It also states that the Commission may "adopt or modify, as necessary, procedures to govern its activities." Thus, it is clear that the confidentiality provisions can be changed. If they were, the public would not be remitted to getting its information from targeted leaks and the post-hoc, incomplete release of randomly chosen documents, as is the case today. All parties to the agreement would have the benefit of unbiased information released directly and promptly by the Commission itself. This information

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28 JCPOA, Annex IV – Joint Commission, 3.4.
29 JCPOA, Annex IV – Joint Commission, 2.1.15.
should cover Iranian nuclear exemption requests and decisions, the result of any IAEA request for a challenge inspection, and the Commission’s recommendation on procurement requests.

Third, there is no reason why the U.N. Security Council should hide its decisions. The new administration could also insist that the U.N. disclose its decisions on Iran’s missile development, on proposed military sales by or to Iran, and on approval of nuclear sales to Iran. The Security Council’s work, as stated vaguely in the nuclear agreement, is governed by “confidentiality procedure of the UN.” And while this procedure states that sensitive or confidential information is “carefully protected in order to safeguard the interests of the Organization,” other U.N. guidance also promotes “openness and transparency.” Openness and transparency are exactly what the parties to the nuclear deal promised the agreement would bring.

And fourth, in order to ensure that a commitment to transparency continues through the 15-year lifetime of the agreement, there should be greater congressional involvement. Congress could help bridge the transparency gap by creating an independent commission to monitor and oversee implementation of the agreement and report violations. It could be modeled on the Helsinki Commission or the United States-China Economic and Security Review Commission. This new commission would have access to U.S. government information, be staffed by specialized experts, and have credibility as an official body independent of any administration. Also, crucially, the commission would allow Congress not only to exercise an oversight role but to work with the new administration to enforce the agreement, and with future administrations if the agreement survives. The idea of creating a congressional commission was proposed in the previous Congress (HR 3741, the “Commission to Verify Iranian Nuclear Compliance Act”). The creation of such a commission could be included in a comprehensive Iran sanctions bill that the new Congress is likely to take up.

More transparency should be welcomed by all. If Iran is shown to be performing, that fact will undercut claims that it cannot be trusted. If Iran is shown to be cheating, that fact will undercut claims that it can be trusted. Either way, the public will come out ahead. It will have gained an amount of truth in what some people fear may now be a new, post-factual era.

30 JCPOA, Annex IV – Joint Commission, 3.4.
About Iran Watch

Iran Watch is a website published by the Wisconsin Project on Nuclear Arms Control. The Wisconsin Project carries out research and public education designed to stop the spread of nuclear weapons, chemical/biological weapons and long-range missiles. It is a private, non-profit, non-partisan organization based in Washington, D.C. founded in cooperation with the University of Wisconsin.

Iran Watch is a comprehensive website that monitors Iran’s capability for building unconventional weapons and long-range missiles. The purpose of the website is to increase public awareness of the strategic situation in Iran and to make detailed knowledge of Iran’s weapon potential available to policymakers, the media, private scholars and the general public.

Iran Watch contains reports on Iran's nuclear and chemical weapon-related and missile programs, profiles of the entities involved in or supporting these programs, and analysis of the international effort halt them.

About the Authors

Ms. Valerie Lincy is Executive Director of the Wisconsin Project. She is the editor and principal investigator for Iran Watch and oversees the Project’s Risk Report database.

Emeritus Professor Gary Milhollin is the Wisconsin Project's founder and President.