

E3/EU Statement on the Iran Nuclear Issue

Berlin, 12 January 2006

E3/EU ministers met today to consider the situation following Iran's resumption on 9 January of enrichment related activity.

Iran's nuclear activities have been of great concern to the international community since 2003, when Iran was forced to admit to the International Atomic Agency Authority that it was building a secret installation to enrich uranium, which could be used to produce material for nuclear weapons. The IAEA Director General at the time found Iran's policy of concealment had resulted in many breaches of its obligation to comply with the provisions of its Safeguards Agreement. Under the IAEA's rules, this should have been reported to the Security Council then.

We launched our diplomatic initiative because we wanted to offer an opportunity to Iran to address international concerns. Our objective was to give Iran a means to build international confidence that its nuclear programme was for exclusively peaceful purposes, and to develop a sound relationship between Europe and Iran.

Given Iran's documented record of concealment and deception, the need for Iran to build confidence has been and continues to be the heart of the matter. It was Iran's agreement to suspend all enrichment-related and reprocessing activities while negotiations were underway that gave us the confidence to handle the issue within the IAEA framework, rather than refer it to the Security Council. We had strong support from the IAEA Board, which repeatedly urged Iran to suspend these activities and stressed that the maintenance of full suspension was essential.

Last August, Iran resumed uranium conversion at Isfahan, in breach of IAEA Board Resolutions and the commitments she had given us in the Paris Agreement of November 2004. The IAEA Board reacted by passing a Resolution in September formally finding that Iran was in non-compliance with its Safeguards Agreement, and declaring that the history of concealment of Iran's programme and the nature of its activities gave rise to questions that were within the competence of the Security Council. Since then the IAEA has raised more disturbing questions about Iran's links with the AQ Khan network, which helped build Libya and North Korea's clandestine military nuclear programmes.

Nonetheless, in response to requests from many of our international partners and despite the major setbacks through unilateral Iranian actions, we agreed to delay a report to the Security Council and go the extra mile in search of a negotiated solution. We held a round of exploratory talks in Vienna on 21 December 2005 to see if we could agree a basis for resuming negotiations. We made crystal clear that a resumption of negotiations would only be possible if Iran refrained from any further erosion of the suspension.

Iran's decision to restart enrichment activity is a clear rejection of the process the E3/EU and Iran have been engaged in for over two years with the support of the international community. In addition it constitutes a further challenge to the authority of the IAEA and international community. We have, therefore, decided to inform the IAEA Board of Governors that our discussions with Iran have reached an impasse.

The Europeans have negotiated in good faith. Last August we presented the most far reaching proposals for co-operation with Europe in the political, security and economic fields that Iran

has received since the Revolution. These reaffirmed Iran's rights under the NPT and included European support for a strictly civilian nuclear programme in Iran, as well as proposals that would have given Iran internationally guaranteed supplies of fuel for its nuclear power programme.

But Iran was to refrain from the most sensitive activities until international confidence was restored. Such a step would not affect Iran's ability to develop a civil and nuclear power industry. We proposed that the agreement be reviewed every ten years. The Iranian government summarily rejected our proposal, and all the benefits that would have flowed from it, nor have they taken up proposals by others. The Iranian government now seems intent on turning its back on better relations with the international community, thereby dismissing the prospect for expanded economic, technological and political cooperation with the international community which would bring tremendous benefits for Iran's young, talented and growing population.

This is not a dispute between Iran and Europe, but between Iran and the whole international community. Nor is it a dispute about Iran's rights under the NPT. It is about Iran's failure to build the necessary confidence in the exclusively peaceful nature of its nuclear programme. Iran continues to challenge the authority of the IAEA Board by ignoring its repeated requests and providing only partial co-operation to the IAEA. It is important for the credibility of the NPT and the international non-proliferation system generally, as well as the stability of the region, that the international community responds firmly to this challenge.

We continue to be committed to resolving the issue diplomatically. We shall be consulting closely with our international partners in the coming days and weeks. We believe the time has now come for the Security Council to become involved to reinforce the authority of IAEA Resolutions. We will, therefore, be calling for an Extraordinary IAEA Board meeting with a view for it to take the necessary action to that end.