

**Security Council**

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Letter dated 31 December 2009 from the Chairman of the Security Council Committee established pursuant to resolution 1737 (2006) addressed to the President of the Security Council

I have the honour to transmit herewith the report of the Security Council Committee established pursuant to resolution 1737 (2006) (see annex), which covers the Committee's activities during the period from 1 January to 31 December 2009. The report is submitted in accordance with the note by the President of the Security Council of 29 March 1995 (S/1995/234).

(Signed) Yukio **Takasu**
Chairman
Security Council Committee established
pursuant to resolution 1737 (2006)



Annex

Report of the Security Council Committee established pursuant to resolution 1737 (2006)

I. Introduction

1. The present report of the Security Council Committee established pursuant to resolution 1737 (2006) covers the period from 1 January to 31 December 2009.
2. During the reporting period, the Bureau consisted of Yukio Takasu of Japan as Chairman, with the delegations of Burkina Faso and Costa Rica providing the Vice-Chairmen. The web page of the Committee is available at: www.un.org/sc/committees/1737/index.shtml.

II. Background information

3. By its resolution 1737 (2006), the Security Council imposed certain measures relating to the Islamic Republic of Iran. These included a proliferation-sensitive nuclear-activities-related and nuclear weapon delivery systems-related embargo and targeted measures, including an assets freeze and a travel notification requirement imposed on persons and entities designated in the annex to the resolution and on any additional persons and entities designated by the Council or the Committee. The assets freeze also applies to the assets of persons or entities acting on behalf of or at the direction of designated persons or entities and of entities owned or controlled by them. In addition, the Council called upon all States to prevent specialized teaching or training of Iranian nationals in disciplines that would contribute to the Islamic Republic of Iran's proliferation-sensitive nuclear activities and the development of nuclear weapon delivery systems.
4. The Security Council Committee established pursuant to resolution 1737 (2006) was entrusted with undertaking the tasks set out in paragraph 18 of the resolution: to seek from States information regarding the actions they have taken to implement effectively the relevant measures and whatever further information it might consider useful in that regard; to seek from the International Atomic Energy Agency (IAEA) information regarding the actions taken by the Agency to implement effectively the relevant measures concerning the technical cooperation provided to the Islamic Republic of Iran by IAEA and whatever further information it might consider useful in that regard; to examine and take appropriate action on information regarding alleged violations of the relevant measures of resolution 1737 (2006); to consider and decide upon requests for exemptions from the relevant measures; to determine as may be necessary additional items the supply of which to the Islamic Republic of Iran would be prohibited; to designate as may be necessary additional individuals and entities as subject to the assets freeze and the travel notification requirement; to promulgate guidelines as may be necessary; and to report at least every 90 days to the Council.
5. By its resolution 1747 (2007), the Security Council imposed additional measures relating to the Islamic Republic of Iran. These included a ban on the export of arms and related materiel from the Islamic Republic of Iran, the designation of additional persons as subject to the assets freeze and to the travel

notification requirement, and the designation of additional entities as subject to the assets freeze. In addition, the Council called upon all States to exercise vigilance and restraint in the supply of the seven categories of conventional weapons as defined for the purposes of the United Nations Register of Conventional Arms and related services to the Islamic Republic of Iran, and called upon all States and international financial institutions not to enter into new commitments for grants, financial assistance and concessional loans to the Government of the Islamic Republic of Iran, except for humanitarian and development purposes.

6. By its resolution 1803 (2008), the Security Council imposed further measures relating to the Islamic Republic of Iran. These included the broadening of the scope of the proliferation-sensitive nuclear activities-related and nuclear weapons delivery systems-related embargo, the introduction of a travel ban on persons designated in annex I to the resolution as well as on any additional persons designated by the Council or the Committee, and the expansion of the lists of persons and entities subject to the assets freeze and of persons subject to the travel notification requirement.

7. In addition, the Security Council called upon all States to exercise vigilance with regard to publicly provided financial support for trade with the Islamic Republic of Iran and activities of their financial institutions with banks in the Islamic Republic of Iran, and, in accordance with States' national legal authorities and legislation and consistent with international law, in particular the law of the sea and relevant civil aviation agreements, to inspect the cargoes to and from the Islamic Republic of Iran of aircraft and vessels, at their airports and seaports, owned or operated by two Iranian companies, provided that there were reasonable grounds to believe that the aircraft or vessel was transporting goods prohibited under Council resolutions 1737 (2006), 1747 (2007) or 1803 (2008). In cases when the aforementioned inspection of cargoes is undertaken, the Council requires all States to submit to it within five working days a written report on the inspection.

8. By its resolution 1803 (2008), the Security Council also broadened the scope of the Committee's mandate as set out in paragraph 18 of resolution 1737 (2006), to include the measures imposed by resolutions 1747 (2007) and 1803 (2008).

9. By its resolution 1835 (2008), the Security Council reaffirmed resolutions 1737 (2006), 1747 (2007) and 1803 (2008), as well as its resolution 1696 (2006), and also reaffirmed its commitment to an early negotiated solution through a dual-track approach to the Iranian nuclear issue and welcomed the continuing efforts in that regard. The Council also called upon the Islamic Republic of Iran to comply fully and without delay with its obligations under the four aforementioned resolutions and to meet the requirements of the IAEA Board of Governors.

III. Summary of the activities of the Committee

Information received from the International Atomic Energy Agency

10. In paragraph 16 of its resolution 1737 (2006), the Security Council decided that technical cooperation provided to the Islamic Republic of Iran by IAEA or under its auspices would only be for food, agricultural, medical, safety or other humanitarian purposes, or where it was necessary for projects directly related to the items specified in subparagraphs 3 (b) (i) and (ii) of the resolution, but that no such

technical cooperation would be provided that related to the proliferation sensitive nuclear activities set out in paragraph 2 of the resolution. In subparagraph 18 (b) of resolution 1737 (2006), the Council tasked the Committee with seeking from the IAEA secretariat information regarding the actions taken by the Agency to implement effectively the measures imposed by paragraph 16, and whatever further information it might consider useful in that regard.

11. On 12 January 2009, by a letter dated 30 December 2008 from the secretariat of IAEA, the Committee received a copy of the report by the Director-General of IAEA entitled, "Technical cooperation: the Agency's proposed programme for 2009-2011", as well as an addendum to that report entitled, "Evaluation of technical cooperation to be provided to Iran during the technical cooperation cycle 2009-2011". The Board of Governors of IAEA had approved the report and concurred with the evaluation of technical cooperation to be provided to the Islamic Republic of Iran in the light of Security Council resolutions 1737 (2006), 1747 (2007) and 1803 (2008).

Implementation reports received from Member States and implementation assistance notice issued by the Committee

12. By paragraph 19 of its resolution 1737 (2006), the Security Council decided that all States would report to the Committee within 60 days of the adoption of that resolution on the steps they had taken with a view to implementing effectively paragraphs 3 to 8 and 10, 12 and 17 of the resolution. In paragraph 8 of resolution 1747 (2007), the Council called upon all States to report to the Committee within 60 days of the adoption of that resolution on the steps they had taken with a view to implementing effectively paragraphs 2 and 4 to 7 of the resolution. In paragraph 13 of resolution 1803 (2008), the Council called upon all States to report to the Committee within 60 days of the adoption of that resolution on the steps they had taken with a view to implementing effectively paragraphs 3, 5 and 7 to 11 of the resolution.

13. By the end of the reporting period, the Committee had received a total of 91 reports pursuant to resolution 1737 (2006), 78 reports pursuant to resolution 1747 (2007) and 67 reports pursuant to resolution 1803 (2008). Some of them were combined reports under two or all three resolutions. The reports were issued as official United Nations documents, unless a State requested that its report be kept confidential, and posted on the Committee's web page (see the appendix to the present report for details). The 19 May 2008 optional guidance paper to assist Member States in writing their national reports, which was reviewed by the members of the Committee but not endorsed by the Committee, can also be found on the Committee's web page.

14. On 24 July 2009, following the receipt of reports by the Committee from a Member State on a transfer of arms-related materiel from the Islamic Republic of Iran in violation of paragraph 5 of resolution 1747 (2007), the Committee approved the text of an "implementation assistance notice"; this contained information about the violation which the Committee believed might be useful to Member States in implementing their obligations under the three resolutions. The notice is available on the Committee's web page.

Notifications received from Member States

15. By paragraph 5 of resolution 1737 (2006) and paragraph 8 of resolution 1803 (2008), the Security Council requires States to notify the Committee of the supply, sale or transfer of all items, materials, equipment, goods and technology covered by document S/2006/814 the export of which to the Islamic Republic of Iran is not prohibited by subparagraph 3 (b) of 1737 (2006) and subparagraph 8 (a) of resolution 1803 (2008). During the period under review, the Committee received two notifications from a Member State of the supply of items relevant to the construction of the nuclear power plant in Bushehr, the Islamic Republic of Iran, with reference to paragraph 5 of resolution 1737 (2006).

16. Paragraph 15 of resolution 1737 (2006) provides for an exemption to the assets freeze for making or receiving payments, or authorizing the unfreezing of funds, in connection with contracts entered into prior to the listing of persons and entities referred to in the annexes to resolutions 1737 (2006), 1747 (2007) and 1803 (2008), which have been notified by the relevant States to the Committee. In 2009, the Committee received five such notifications from a Member State.

Ninety-day reports to the Security Council

17. Under the provisions of subparagraph 18 (h) of resolution 1737 (2006), the Chairman must report to the Security Council at least every 90 days on the Committee's activities. Accordingly, the Chairman briefed the Council on 10 March, 15 June, 9 September and 10 December 2009.¹

Responses to queries received

18. As part of its role of monitoring the implementation of the measures imposed by the Security Council by resolutions 1737 (2006), 1747 (2007) and 1803 (2008), the Committee responded to three written queries from Member States and one written query from the Chairman of the Security Council Committee established pursuant to resolution 751 (1992) concerning Somalia.

IV. Violations and alleged violations of the sanctions regime

19. During the period under review, the Committee received reports of three violations of paragraph 5 of resolution 1747 (2007) which imposed an export ban on arms and related materiel on the Islamic Republic of Iran. In line with its mandate to examine and take appropriate action on information regarding alleged sanctions violations, the Committee studied those reports carefully. All three violations, in addition to the Islamic Republic of Iran, involved one other State. All three violations also involved the Islamic Republic of Iran Shipping Lines (IRISL), which had chartered the vessel transporting the materiel from the Islamic Republic of Iran to that other State.

20. In the first instance, the Committee received a letter dated 3 February 2009 from a Member State regarding the presence of suspicious cargo, originating from

¹ See S/PV.6090, S/PV.6142 and S/PV.6235. One 90-day report (9 September) was delivered in informal consultations of the whole of the members of the Council, and the text was subsequently posted on the Committee's web site.

the Islamic Republic of Iran and destined for another State, aboard the *M/V Monchegorsk* chartered by IRISL. The vessel was redirected to an anchorage in the territorial waters of the reporting State where, in accordance with the national legislation of that State and with the consent of the captain of the ship, two on-board State inspections were conducted. According to this State, the cargo contained arms-related materiel. Following the receipt of guidance from the Committee, as sought by this State, the cargo was offloaded, further inspected and, ultimately, retained and stored by the State.

21. In the second instance, the Committee received letters dated 15 and 16 October 2009, respectively, from two Member States regarding the presence of suspicious cargo, originating from the Islamic Republic of Iran and destined for another State, aboard the *M/V Hansa India* chartered by IRISL. The vessel was redirected to a port of one of the reporting States, where the cargo was offloaded and inspected. According to this State, the cargo contained arms-related materiel. The State reported that, in line with its international obligations, it had retained, unloaded and stored the cargo, and that it would ensure that the items were neither allowed to reach their intended destination nor returned to their place of origin.

22. In the third instance, the Committee received a letter dated 18 November 2009 from a Member State regarding the presence of suspicious cargo, originating from the Islamic Republic of Iran and destined for another State, aboard the *Francop*, again shipped by IRISL. With the consent of the relevant authorities, the vessel was boarded by the navy of the reporting State, which conducted an on-board State inspection. According to this State, the cargo contained arms-related materiel. The State reported that, in line with its international obligations, it had unloaded, retained and stored the cargo, and that it would ensure that the items were neither allowed to reach their intended destination nor returned to their place of origin.

23. In response to each of these reports, the Committee dispatched letters to the two States involved in the transfer of the arms-related materiel inviting them to provide, within a specific time frame, any additional relevant information and/or an explanation for the transactions. The Committee also reminded both States of their obligation to accept and carry out the decisions of the Security Council under Article 25 of the Charter of the United Nations. To date, the Committee has received two responses from the reported State of destination, one relating to the *M/V Monchegorsk* and the other relating to the *Hansa India*. The first response did not contain any relevant information; in the second response, which arrived after the specified time frame, the reported State of destination maintained that it had found no record indicating that the *Hansa India* was destined for one of its ports, and stated that it was conducting investigations the results of which it would share with the Committee. The reported State of origin has not replied to the Committee despite repeated requests for an explanation.

24. The Committee also wrote to all four reporting Member States, expressing its appreciation, welcoming any further information they might uncover and, in two of the three cases, urging them to continue to cooperate closely with the Committee and with any other States that might be investigating the cases. Finally, the Committee wrote to the States with the reported links to the *Francop*, inviting them to provide any additional relevant information. In this connection, the flag State subsequently submitted documentation confirming that the vessel had been carrying arms-related materiel originating from the Islamic Republic of Iran.

25. As noted in paragraph 14 above, in response to the first reported violation, the Committee issued an “implementation assistance notice” which can be found on its web page.

V. Observations and conclusions

26. The primary responsibility for the implementation of the measures imposed by the Security Council rests with Member States. The Committee has noted with great concern the fact that it has received multiple reports of violations of paragraph 5 of resolution 1747 (2007) — constituting an apparent pattern of sanctions violations — involving the same States. The Committee has recalled that the violation by Member States of their obligations under the Charter is a serious matter. For its part, in facilitating and monitoring the implementation of the relevant measures, the Committee will continue to discharge its mandate as effectively and efficiently as possible, and it stands ready to consider any proposals that fall within its purview.

Appendix

List of reports received from Member States pursuant to paragraph 19 of resolution 1737 (2006), paragraph 8 of resolution 1747 (2007) and paragraph 13 of resolution 1803 (2008)

<i>Member States</i>	<i>Reports pursuant to resolution 1737 (2006)</i>	<i>Reports pursuant to resolution 1747 (2007)</i>	<i>Reports pursuant to resolution 1803 (2008)</i>
Albania	S/AC.50/2007/9		
Algeria	S/AC.50/2007/65 (combined report)		
Andorra	S/AC.50/2007/50		S/AC.50/2009/3
Argentina	S/AC.50/2007/57	S/AC.50/2007/57/Add.1 and 2	S/AC.50/2008/60
Australia	S/AC.50/2007/27	S/AC.50/2007/70	S/AC.50/2008/19
Austria	S/AC.50/2007/11	S/AC.50/2007/66	S/AC.50/2008/2
Azerbaijan	S/AC.50/2007/107 (combined report)		S/AC.50/2008/44
Bahrain	S/AC.50/2007/67	S/AC.50/2007/121	S/AC.50/2008/12 and Add.1
Bangladesh	S/AC.50/2007/47		
Belarus	S/AC.50/2007/41	S/AC.50/2007/77	S/AC.50/2008/16
Belgium	S/AC.50/2007/10	S/AC.50/2007/74	S/AC.50/2008/14
Brazil	S/AC.50/2007/26	S/AC.50/2007/82	S/AC.50/2008/63
Brunei Darussalam	S/AC.50/2008/1 (combined report)		S/AC.50/2008/64
Bulgaria	S/AC.50/2007/2 and Add.1	S/AC.50/2007/108 and Add.1	S/AC.50/2008/11
Cambodia	S/AC.50/2007/125		
Canada	S/AC.50/2007/33	S/AC.50/2007/75	S/AC.50/2008/5
China	S/AC.50/2007/22	S/AC.50/2007/99	S/AC.50/2008/18
Costa Rica	S/AC.50/2007/71 (combined report)		
Croatia	S/AC.50/2007/15	S/AC.50/2007/117	S/AC.50/2008/61
Cuba	S/AC.50/2007/38	S/AC.50/2007/89	S/AC.50/2008/38
Cyprus	S/AC.50/2007/128 (combined report)		S/AC.50/2008/65
Czech Republic	S/AC.50/2007/14		
Denmark	S/AC.50/2007/13	S/AC.50/2007/85	

<i>Member States</i>	<i>Reports pursuant to resolution 1737 (2006)</i>	<i>Reports pursuant to resolution 1747 (2007)</i>	<i>Reports pursuant to resolution 1803 (2008)</i>
Ecuador	S/AC.50/2007/129 (combined report)		
Egypt	S/AC.50/2007/59	S/AC.50/2007/68	S/AC.50/2008/3
Estonia	S/AC.50/2007/49	S/AC.50/2007/113	
Finland	S/AC.50/2007/19	S/AC.50/2007/97	S/AC.50/2008/26
France	S/AC.50/2007/17	S/AC.50/2007/84	S/AC.50/2008/39
Georgia	S/AC.50/2007/29		
Germany	S/AC.50/2007/37	S/AC.50/2007/98	S/AC.50/2008/15
Germany (on behalf of the European Union)		S/AC.50/2007/28 S/AC.50/2007/105 (combined report)	
Ghana	S/AC.50/2007/136		
Greece	S/AC.50/2007/60	S/AC.50/2007/122	
Grenada	S/AC.50/2007/140		
Guatemala	S/AC.50/2007/100 (combined report)		S/AC.50/2008/33
Hungary	S/AC.50/2007/81 (combined report)		S/AC.50/2008/59
India	S/AC.50/2007/20	S/AC.50/2007/123	S/AC.50/2008/49
Indonesia	S/AC.50/2007/5		S/AC.50/2008/10
Israel	S/AC.50/2007/141 (combined report)		S/AC.50/2009/4
Italy	S/AC.50/2007/25	S/AC.50/2007/103	S/AC.50/2008/47
Jamaica			S/AC.50/2008/21
Japan	S/AC.50/2007/16	S/AC.50/2007/79	S/AC.50/2008/24
Jordan	S/AC.50/2007/119 (combined report)		S/AC.50/2008/17
Kazakhstan	S/AC.50/2007/39	S/AC.50/2007/102	S/AC.50/2008/36
Kuwait	S/AC.50/2007/118 (combined report)		S/AC.50/2008/57 and Add.1
Kyrgyzstan	S/AC.50/2007/53	S/AC.50/2008/50	S/AC.50/2008/53
Latvia	S/AC.50/2007/62	S/AC.50/2007/91	
Libyan Arab Jamahiriya	S/AC.50/2007/61	S/AC.50/2007/69	S/AC.50/2008/51
Liechtenstein	S/AC.50/2007/31		S/AC.50/2008/27
Lithuania	S/AC.50/2007/34	S/AC.50/2007/90	S/AC.50/2008/55

<i>Member States</i>	<i>Reports pursuant to resolution 1737 (2006)</i>	<i>Reports pursuant to resolution 1747 (2007)</i>	<i>Reports pursuant to resolution 1803 (2008)</i>
Luxembourg	S/AC.50/2007/64		
Malta	S/AC.50/2007/7	S/AC.50/2007/63	S/AC.50/2008/35
Mauritius	S/AC.50/2007/35 and Add.1	S/AC.50/2007/106	S/AC.50/2008/58
Mexico	S/AC.50/2007/58	S/AC.50/2007/94	S/AC.50/2008/45
Monaco	S/AC.50/2007/130	S/AC.50/2007/126	
Morocco		S/AC.50/2009/2 (combined report)	
Netherlands	S/AC.50/2007/48	S/AC.50/2007/73	S/AC.50/2008/32
New Zealand	S/AC.50/2007/36	S/AC.50/2007/132	S/AC.50/2008/22
Niger	S/AC.50/2007/135 (combined report)		
Norway	S/AC.50/2007/6	S/AC.50/2007/93	S/AC.50/2008/4
Oman		S/AC.50/2008/62 (combined report)	
Pakistan	S/AC.50/2007/12	S/AC.50/2007/96	S/AC.50/2008/6
Panama	S/AC.50/2007/139 (combined report)		
Peru	S/AC.50/2007/44	S/AC.50/2007/86	S/AC.50/2008/41
Philippines	S/AC.50/2007/137 (combined report)		S/AC.50/2009/1
Poland	S/AC.50/2007/43	S/AC.50/2007/95	S/AC.50/2008/37
Portugal	S/AC.50/2007/56	S/AC.50/2007/111	S/AC.50/2008/30
Qatar	S/AC.50/2007/24 and Add.1	S/AC.50/2007/87	S/AC.50/2008/25
Republic of Korea	S/AC.50/2007/51	S/AC.50/2007/115	S/AC.50/2008/28
Republic of Moldova	S/AC.50/2007/127 (combined report)		
Romania	S/AC.50/2007/30	S/AC.50/2007/101	S/AC.50/2008/52
Russian Federation	S/AC.50/2007/8 and Add.1	S/AC.50/2007/92 and Add.1	S/AC.50/2008/13 and Add.1
Saudi Arabia	S/AC.50/2007/120		S/AC.50/2008/56
Serbia	S/AC.50/2007/52	S/AC.50/2007/131	
Singapore	S/AC.50/2007/45	S/AC.50/2007/116	S/AC.50/2008/43
Slovakia	S/AC.50/2007/42	S/AC.50/2007/78	S/AC.50/2008/9
Slovenia	S/AC.50/2007/23		S/AC.50/2008/54

<i>Member States</i>	<i>Reports pursuant to resolution 1737 (2006)</i>	<i>Reports pursuant to resolution 1747 (2007)</i>	<i>Reports pursuant to resolution 1803 (2008)</i>
South Africa	S/AC.50/2007/4	S/AC.50/2008/40 (combined report)	
Spain	S/AC.50/2007/55	S/AC.50/2007/112	S/AC.50/2008/46
Sri Lanka	S/AC.50/2007/133		
Suriname	S/AC.50/2007/138 (combined report)		
Sweden	S/AC.50/2007/21	S/AC.50/2007/83	
Switzerland	S/AC.50/2007/40	S/AC.50/2007/109	S/AC.50/2008/20
Thailand	Not published	Not published	S/AC.50/2008/29
The former Yugoslav Republic of Macedonia	S/AC.50/2007/1	S/AC.50/2007/114	S/AC.50/2008/42
Turkey	S/AC.50/2007/32		
Ukraine	S/AC.50/2007/80 and Add.1 (combined report)		S/AC.50/2008/7
United Arab Emirates	S/AC.50/2007/46	S/AC.50/2007/104	
United Kingdom of Great Britain and Northern Ireland	S/AC.50/2007/3	S/AC.50/2007/72	S/AC.50/2008/31
United States of America	S/AC.50/2007/18	S/AC.50/2007/88	S/AC.50/2008/34
Uruguay	S/AC.50/2007/134 and Add.1		S/AC.50/2008/8
Uzbekistan	S/AC.50/2007/124 (combined report)		S/AC.50/2008/23
Viet Nam	S/AC.50/2007/54	S/AC.50/2007/110	S/AC.50/2008/48
Yemen	S/AC.50/2007/76		