



CARNEGIE
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Transcript

**LUNCHEON KEYNOTE: A
CONVERSATION WITH DIRECTOR
GENERAL AMANO**

Yukiya Amano, Director General of the IAEA

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WILLIAM J. BURNS

Good afternoon everyone, if I could have your attention please. Here at the Carnegie Endowment we believe that one dessert is never enough, so in addition to the kiloton calorie course on your plates we have in store a second dessert this afternoon.

As all of you know, Director General Amano is one of the world's wisest statesmen and he is the extraordinary leader of one of the world's most extraordinary international organizations.

With each day the demands placed on the International Atomic Energy Agency continue to grow. The world looks to the IAEA for training and expertise in peaceful uses of nuclear technology to promote food and water security, environmental sustainability and public health.

The world looks to the IAEA that nuclear energy is safe and secure, and the world looks to the IAEA to stop the spread of nuclear weapons and illicit materials.

Since 2009 Director General Amano has answered the world's call and dealt with a number of unprecedented challenges. From the complicated Iranian nuclear file to the Fukushima nuclear disaster. Director General Amano has managed increased demands and countless crises with equanimity, skill and most impressively flat resources.

After Director General Amano's remarks the Guardian's Natalie Nougayrede, an extraordinary skilled professional in her own right will lead a discussion and then invite your discussions. Miss Nougayrede knows a thing or two about leading invaluable institutions under rising pressures and diminished resources. We're very fortunate that she's agreed to launch our conversation this afternoon.

If there is one thing that I learnt in 33 years as a diplomat, it is never to stand in the way of dessert, even if it is a second one. Please join me in giving a warm welcome to Director General Amano. Thank you.

YUKIYA AMANO

Good afternoon ladies and gentlemen. I am very pleased to be back at Carnegie Endowment for International Peace. I imagine that our discussion today is likely to focus on the agency's nuclear verification work and on one country in particular.

Before getting that let me say just a few words about an equally important area of our work, peaceful uses. Peaceful uses of nuclear technology are one of the three pillars of the NPT alongside non-proliferation and disarmament.

The IAEA helps to make nuclear science and technology available to generate power, electricity, improve human and animal health, and increase our food production and much more.

People are often surprised at some of the things that we are doing. For example – during the latest Ebola breakout in West Africa we supplied affected countries with sample kits so they could diagnose the disease quickly.

By using our kits they can diagnose Ebola in four hours, by the traditional means it takes four days. This difference of four hours and four days makes a huge difference.

I believe that nuclear science and technology have much to contribute to sustainable development. I feel that a mandate could be best understood today as arguments for peace and development.

The United States is the biggest contributor into the IAEA technical cooperation fund. This fund helps member states especially developing countries, enjoy the considerable benefits of peaceful technology. The United States also helps to launch the peaceful use initiative in 2010 to provide additional funds for this purpose. I hope to see the importance of science and technology explicitly recognized as a central part of the post 2015 development agenda.

Ladies and gentleman I could say much more about the work of the IAEA in areas as nuclear energy, nuclear safety and nuclear security. But time is short so I will move on to the subject of safeguards implementation in Iran.

When I became IAEA Director General in December 2009, Iran had already been on the IAEA's agenda for seven years. I am a fairly systematic person and I like to work from first principles.

The key point is that the IAEA is committed to resolving the Iran nuclear issue through dialogue. The IAEA, the United Nations and individual member states all have their parts to play and need to cooperate with each other. Only one cannot resolve the problem. Everyone, every party needs to do its job and cooperate.

Right from the start I stressed the fundamental principle that all safeguards agreements between the IAEA and member states including Iran should be fully implemented. I stated that other relevant obligations such as resolution of the United Nation's Security Council, the safeguard agreement must be fully implemented but other relevant obligations should be also implemented.

I felt that spelling out the issues with clarity was an essential fast step towards resolving the problems concerning Iran's nuclear activities. My quarterly reports to the IAEA board of governors from 2010 onwards stated that nuclear material declared by Iran was not being diverted for peaceful purposes. But I also stated that Iran was not providing sufficient cooperation to enable the agency to conclude that all nuclear material in Iran was in peaceful activities.

I asked Iran to implement the additional protocol and clarify the issues relating to what has become known as possible military dimensions to its nuclear program.

In November 2011 I presented a detailed report to our board of governors and identified 12 areas of concern. I stated that – information obtained by the agency indicated that Iran had carried out activities relevant to the development of a nuclear weapon device. The information also indicated that before the end of 2003 these activities took place under a structured program and that some activities might still be on-going.

In response to my report the IAEA board and the UN Security Council adopted resolutions asking Iran to cooperate with the agency to clarify issues relating to possible military dimensions in order to restore international confidence in the exclusively peaceful nature of its nuclear program.

Ladies and gentlemen, the main change since my last visit to Carnegie in April 2011 is that a very important dialogue has been taking place between Iran and the so called P5- plus one countries; China, France, Germany, the Russian Federation, the United States. They agreed to a joint plan of action in late 2013.

At around the same time Iran and the IAEA agreed on a framework for cooperation, the basic objective was to resolve all the outstanding issues past and present through strength and cooperation, and a step by step approach.

Where do we stand today? As far as some of the agency's own work to implement safeguards in Iran is concerned, we continue to verify the non-diversion of nuclear material declared by Iran. But we are still not in a position to conclude that all nuclear material is in peaceful purpose.

The framework for cooperation worked for the first few months to help in improving our understanding of Iran's nuclear program. Progress has been very limited in clarifying issues with possible military dimensions.

As far as the joint plan of action between Iran and the six countries is concerned; IAEA inspectors who are continuously present on the ground in Iran have been able to verify that Iran is meeting its commitments under that agreement.

The latest round of talks between Iran and the six countries has been taking place in Switzerland. But as the IAEA is not a party of these talks, I cannot tell what the outcome will be.

Ladies and gentlemen I remain committed to working with Iran to restore international confidence in the peaceful nature of its nuclear program. Two things asked of special importance for the IAEA - first, with the cooperation of Iran the IAEA needs to clarify issues with possible military dimensions to the satisfaction of our member states. We'll do all we can to clarify these issues. As requested by the IAEA board of governors and under UN Security Council, we expect Iran to be as transparent as possible. We will then present an objective impartial report to our member states.

The IAEA is a technical organization and our job is to establish the facts to the best of our ability. It is up to our member states to determine the appropriate response.

Second, Iran needs to implement the additional protocol so that the agency can provide credible assurance about the absence of undeclared nuclear material and activities in Iran.

The agency will continue to play an essential role in the future including verifying nuclear related measures to be implemented by Iran if a comprehensive agreement is reached with the six countries. We will remain the eyes and ears of the international community on nuclear matters in Iran.

Ladies and gentleman, I believe that even complex and challenging issues can be resolved if all parties are committed to dialogue, not dialogue for its own sake but dialogue aimed at achieving results. In the case of Iran nuclear program the sustained efforts of the IAEA and P5 + 1 countries, the UN Security Council and of course Iran itself are needed. All of us must work closely together; we must be steadfast, patient and persistent. The IAEA will do what is necessary on its part to achieve a satisfactory resolution.

Thank you very much.

NATALIE NOUGAYREDE

Is my microphone working? Thank you very much for those opening remarks.

We have a little over half an hour and so I will be putting a few questions to the Director General after his very interesting opening statement. Then we will get the floor to engage with the Director General and I'm sure that are many intensive questions being prepared.

I think none of us were expecting that this conference and this particular discussion would happen in the middle of crunch time in the Iran negotiations. This makes the discussion with you Director General particularly interesting.

I started following the Iran nuclear issue back in 2005 and I thought it was an incredible way as a journalist to look at the issues of our world, and international relations and international security in the 21st century, bringing so many factors together. I certainly did not expect that 10 years later we would still be dealing with this issue in even starker ways.

I'm going to go right in with the first question if I may? You've just reminded us how outspoken the agency and you were back in November 2011. Releasing a report that detailed the activities that had been carried out by Iran related to the production of nuclear weapons.

The latest report from the IAEA in February says that indeed there has been no cooperation from Iran on clarifying the military dimensions, and you have alluded to that just now. Is it possible in your mind to have a solid sustainable agreement between the P5- plus one and Iran as a pre requisite putting on the table the question of clarifying the military dimensions of Iran's program? Would the IAEA be able in the future to guarantee that Iran would not go to nuclear weapons if it doesn't have the possibility and the answers coming from Iran related to those concerns?

YUKIYA AMANO

Thank you. Yes it is true that I reported in 2011 on the concerns of the IAEA in our 12 areas. Then we are engaged in negotiations with Iran for two years without a concrete result. Then in autumn of 2013 we reached an agreement which is called The Framework for Cooperation. The idea is to move from easier things to more difficult things and take a step by step approach.

We made some progress and we have produced some concrete results by implementing this framework for cooperation and it is also true that we have had some engagement from Iran on issues with possible military dimensions. But in the past several months progress is very limited.

How can we move forward? I feel it is very important to clarify the 12 areas so in February this year I went to Munich and had a meeting with minister Zarif. I said two things; high level regular meeting is needed to address this issue and we need to accelerate the clarification. It was followed by the visit of vice minister Haraguchi out of Vienna and we keep on discussing the fact that progress is limited.

I said in my statement that IAEA, United Nations and member states need to cooperate with each other. Lots of activities are on-going. IAEA will do its best but we need the assistance from

other parties like six of the powers. We hope that with the comprehensive agreement we would be better placed to clarify the issues in the past.

Can we clarify everything? We don't know yet, it depends very much on the level of cooperation and pace of cooperation from Iran.

Next question is, suppose that everything is not clarified, how can we have confidence in the future? I would say that Iran cooperating with us as much as possible, ensure us some high transparency as possible will place the ground for the solid future, for a better future.

So it is in the interest of Iran itself to clarify the issue with possible military intention and I hope that Iran understand this point.

For the future I believe the implementation of additional protocol is very important. Additional protocol is a more powerful tool of verification than the existing one on the comprehensive safeguard agreement. With this more powerful verification tool called additional protocol we can request access to those sites that are not declared. With that we can have better confidence on the absence of undeclared activities.

We can ask the short notice inspection and then they don't have time to conceal anything. This additional protocol is used in 124 countries and with this we can have better confidence in the exclusively peaceful nature of Iran nuclear activities, like in other countries.

NATALIE NOUGAYREDE

Let me push you a little on that. You clearly said that the IAEA is not party to the on-going negotiation which is supposed to reconvene in the following days. Do you regret that? If as you said the negotiating powers were providing the help that you're calling for. The IAEA is turning to the P5 + 1 to ask for that kind of support on clarifying the military dimension. Do you feel that is an issue that should be included in any agreement? Should it be put in the initial steps of the agreement with Iran?

YUKIYA AMANO

The basis of the clarification of our PMD issues of possible military dimension is on the United Nations Council resolutions and board of governor's resolutions. These six powers are important members of the international community and UN members. It is natural they have interest in how to facilitate the implementation of the United Nations Security Council resolutions. That request is on clarification of the issues with possible military dimension.

NATALIE NOUGAYREDE

If an agreement is made with Iran, and I know that hypothetical questions aren't very good in journalism. If an agreement is made with Iran without putting, that the clarification of the possible military dimensions as a prerequisite, are you comfortable that the agency will be able to verify in the future, in the years to come, Iran's activities, and give the assurances that the international community will want?

YUKIYA AMANO

As a technical organization we do not speculate. But the fact is that we did our best to clarify the issues with possible military dimension and I said the outcome is quite limited. You can tell what is needed.

NATALIE NOUGAYREDE

My other question on this negotiation is what do you feel the outcome might be this week? Do you think that we're going to be heading towards a framework agreement? What is your outlook on the current state of affairs with all the comments that have been made over the last days?

YUKIYA AMANO

I have been following this issue for a long time and I can say with confidence that now there is some political will on all the parties concerned to resolve the issue through dialogue and cooperation.

The issues are that this P5-plus one and Iran are doing and what IAEA and Iran are doing is a slight difference. The P5-plus one also dealing with the political issues and sanctions but the IAEA does not. We are focusing on verification issues. But of course there are some areas that duplicate and we need to cooperate with each other, we need to help each other.

NATALIE NOUGAYREDE

Do you see this whole dossier evolve in a way where the IAEA's efforts should be tightly articulated with the other part of the negotiation? How do you see the articulation? Can you dwell on that for a little bit? How do you see exactly the articulation between your work and the P5-plus one negotiation?

YUKIYA AMANO

We don't know the outcome so it's difficult to say but one very clear thing is that if agreement is reached it will be the IAEA that will implement on the nuclear related elements. I can say that because now we have the interim agreement which is called joint plan of action. It was negotiated and agreed between P5-plus one and Iran. That agreement came to the policy making board of governors and they authorised us how to implement.

I suspect that if P5-plus one and Iran reach agreement on the comprehensive agreement it is just natural that the IAEA will be asked to implement it. We'll play an essential role in implementing this agreement.

NATALIE NOUGAYREDE

Looking at your discussion with Mr Salehi who runs the Iranian energy organization, what would you would you say about the quality of the cooperation you would be getting? How are you preparing the verifications and the inspections that will be needed in implementing any agreement?

YUKIYA AMANO

I would say that as far as the implementation of the comprehensive safeguard agreement, we have good cooperation from Iran. We are also implementing the joint plan of action and we can also say that the implementation is good. But with respect clarification of the issues with possible military dimension, the progress is limited. This is the area where more proactive cooperation from Iran is needed.

NATALIE NOUGAYREDE

Thank you I think I'm going to try to open it up to the floor if there are any questions. I just wanted to throw in one little observation. It's a personal observation.

When I visited your offices and your predecessor was in place at the IAEA I noticed that there was a painting. This painting is called The Scream and it's by the Norwegian painter Edward Munch. I looked at this painting with this man holding his face and looking at the sky and screaming and the sky is red. I thought that wasn't a very good omen. I was wondering whether the painting was still in your office?

The Director General told me he'd changed one thing in the office, which is the carpet has been taken out and there is now beautiful wooden floor. Is that particular painting still in your office?

YUKIYA AMANO

The painting is replaced with the IAEA logo.

NATALIE NOUGAYREDE

I see on hand in the back. I think that's Mark Fitzpatrick. Then I'm going to go to the left and move forward.

MARK FITZPATRICK

Thank you Director General for a very clear exposition.

In this town there are some specialists who say that the IAEA is inherently unable to adequately verify safeguards at large facilities, bulk handling facilities. When the limits of a deal expire in 10 or 15 years and Iran adds 50 thousand centrifuges to Natance they say the IAEA cannot adequately prevent diversion because of the inherent inadequacies of material accountancy.

Can you tell us whether the IAEA will be able to adequately verify a large enrichment facility in Iran?

YUKIYA AMANO

I have no doubt that the IAEA has the capacity. Even now we are sending inspectors to Iran, we do not have a permanent office, but as we sent inspectors in the past we had always some two to four inspectors on the ground and we have more now.

Some of the facilities are visited every day, the more sensitive ones. Other facilities, less sensitive ones are visited once a week. That means that if there is any abnormality we can detect the change on the following day, on the same day or in one week's time.

Our objective is to detect the diversion or misuse of nuclear material in a timely manner. One day or one weeks' time I think it is a timely timeline for detection.

NATALIE NOUGAYREDE

The lady in the back please.

CINDY VESTERGAARD

My name is Cindy Vestergaard from the Danish Institute for International Studies. There is a podium in our way so I'm just going to move a little forward.

My question is regarding implementation of safeguards in the Ukraine in terms of the two camps as I understand. If you can't go in and actually have access to contested areas, can you make a national conclusion? If not then how do you address that issue in terms of only being able to access areas where you can access and then by nature splitting up the country in a way?

YUKIYA AMANO

We are now considering the safeguard implementation of in the Ukraine. We don't have yet the conclusion and we will provide a report perhaps in May.

Please wait for the release of the report. But our position is that the IAEA has been functioning in accordance with its statute. The IAEA has some cooperation agreement with the United Nations and are a part of the cooperation agreement between the United Nations and the IAEA states that the IAEA should consider the resolution of the United Nations General Assembly. It pronounced that Crimea stays a part of Ukrainian territory.

So we are operating with this understanding. The safeguard agreement that is applied is Ukraine, IAEA safeguard agreement.

In reality we cannot send inspectors to Crimea and then we will draw factual conclusions based on this fact.

NATALIE NOUGAYREDE

So there we have a clear hint that it's possible that nuclear weapons will be deployed in Crimea. You have that as a clear possibility?

YUKIYA AMANO

The IAEA objective is to ensure that the nuclear material and facility should not be used for military purpose. It is not a function to verify nuclear weapons. We are not verifying nuclear weapons in any country.

NATALIE NOUGAYREDE

The man with the beard and sorry I haven't been looking much this way. I'll take a few questions.

MATTHEW BUNN

Hi, Matthew Bunn from Harvard University. Getting back to the main topic of your talk, Iran had largely supplied its enrichment activities and its heavy water reactor with illicit procurement. UN sanctions resolutions have prohibited transfers to Iran of certain nuclear items. But presumably once there is a comprehensive agreement and Iran has a permitted nuclear activity under that agreement it would, one would have to guess, be allowed to procure things to support the permitted activities.

I'm wondering how you might imagine that the IAEA would be able to monitor whether they were carrying out procurement in addition to the authorized procurements under a future comprehensive agreement?

YUKIYA AMANO

At the outset I said that United Nations and the international community and IAEA should cooperate with each other, should play their own part in order to resolve the issues. I did not mention specifically the export control regimes. But export control regimes and national authority have a role to play to control the exports.

IAEA does not have the responsibility and capacity to control the export and import. What we can do is to verify the nuclear material. If we find the nuclear material which is not under safeguard we'll say so. Whether that is coming from other countries by export or import or it is produced in the country.

Our function is to verify the nuclear material and facilities. Export control is done by other international entities and national authorities.

NATALIE NOUGAYREDE

I think we have one question over here.

ARIEL LEVITE

Secretary General thank you for your answer thus far. I want to ask you about the implementation of a possible agreement that will now be much more ambitious and will involve what US administration calls additional protocol plus. Which would get you into places that the IAEA does not normally monitor. As in the case of the JPOA but beyond it and would require you to go on a regular basis, presumably to military and IRGC facilities and perhaps to do some wide area monitoring.

So what I'm trying to understand if you can shed some light on it, would it require special board of governor resolutions? Would it require special training of inspectors? Would it require an additional budget for the IAEA? What kind of obstacles would you think might arise in trying to gear up to implement this on a regular basis for quite a few years?

YUKIYA AMANO

I say yes to all of the points that you made. We have challenges in all those areas. Let me be more precise. Suppose an agreement is reached it is very likely that we need to go through the

board of governors. This is a very important project and if we implement the nuclear related elements we need a solid basis.

In order to have a solid basis we need to have the endorsement and support by our member states through the board of governors. Does it require additional funds, additional skills and staff? Yes, we need additional funds and we are now brainstorming the ways how to raise funds.

Money cannot resolve all the problems, human resources are very important. We have skilled inspectors but further training may be needed. We also train younger people to join on the team. So we'll have the need to go through the board of governors if the timing is not the best special board of governors. We need certainly additional funds and more inspectors.

NATALIE NOUGAYREDE

I'm sorry do I have more time for one more question? No I'm told that time has run out. I apologize for not seeing all the hands and being able to hand the microphones. That was more funds and locations for new inspectors at the IAEA from the Director General. I won't attempt to summarize what's been said, I think all the experts in the room will have enjoyed the insights that were given by the Director General.