

About barriers to covert nuclear trade

Note

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N.B.: I am using the word “covert” nuclear trade instead of “illicit” because it is not necessarily illicit e.g. for non-NPT States.

1. Articles 91 to 94 of Comprehensive Safeguards Agreement (CSA) deal with international transfers of nuclear material (NM).
There are some limitations worth mentioning.
One relates to NM in transit, and the other to NM not exceeding one effective kilogram.
There is nothing in CSA about the transfer of sensitive single or dual use non-nuclear materials or equipment.
2. Article 2.a.(ix) of the Additional Protocol (AP) deals with the notification to the Agency of the export of equipment and non-nuclear material listed in Annex II of the Protocol.
However, the importing State shall only have to provide confirmation of the transfer upon specific request by the Agency. (N.B.: I believe it should be automatic). Of course, there is no legal obligation, for States that have not ratified the AP.
3. In November 2004, following the revelations about extensive covert nuclear trade networks of sensitive nuclear technology (and even NM), I established within the IAEA Department of Safeguards the Nuclear Trade Analysis Unit (NUTRAN). NUTRAN centralizes and analyses all procurement network-related information available to the Secretariat. Some Member States provide such information on a purely voluntary (and usually not systematic) basis.
4. Presently, the IAEA Secretariat is advising the “Advisory Committee on Safeguards Verification” (the so-called Committee 25) to recommend to the BoG to “*request all States to provide to the Agency relevant information on exports of specified equipment and non-nuclear material, procurement enquiries, export denials, and relevant information from commercial suppliers in order to improve the Agency’s ability to detect possible undeclared nuclear activities*”.
5. The Secretariat also recommends that the BoG establish an open-ended working group to review Annex I and II of the AP.
6. In 2005, the IAEA General Conference invited all States to cooperate with the Agency in its efforts to verify and analyze information provided by MS on nuclear supply and procurement. (GOV (49)/RES/13).
7. You may be interested in reading my paper of March 2004 (<http://www.iaea.org/NewsCenter/Statements/DDGs/2004/goldschmidt17032004.html>) and in particular the paragraphs on “The need to improve export Controls” and on

“Reporting on International Transfers of Specified Non-nuclear Material and Equipment”.

8. Considering the composition of Committee 25 (which includes e.g. Iran and Brazil) I don't expect it will follow the recommendations made by the Secretariat in the foreseeable future.

I think there is a much faster and simpler way to reach the desired objective. Article VIII.A of the IAEA Statute, which applies to the 5 NWS and to the 3 non-NPT States, states that: *“Each member should make available such information as would, in the judgement of the member, be helpful to the Agency”*.

The DG could, as a guideline to MS, circulate a note providing the list of the information that, from the Secretariat's point of view, would be helpful to the Agency. This list would include, among other things, the items mentioned under point 4 above. The list could then be approved by the BoG, making it difficult for MS not to comply. In this regard it is incredible that Russia has delivered in the late 1990's sensitive laser enrichment equipment to Iran without informing the Agency! Was it their judgement that reporting this was not helpful to the Agency?
