Iranian Supreme National Security Council, Speech, Hassan Rouhani, "Beyond the Challenges Facing Iran and IAEA Concerning the Nuclear Dossier," UNCLASSIFIED, *circa* September 2005

## Hassan Rouhani: [...]

The Islamic Republic of Iran 15 or 16 years ago – that is, in 1366 [1987–1988] or 1367 [1988–1989] – started to pursue fuel cycle technology. We pursued this technology because we always wanted to make use of nuclear energy, wanted to have nuclear power plants, and wanted to be able to produce the needed fuel for those plants ourselves.

We tried very hard to purchase the technology and nuclear fuel cycle capabilities from other countries. In those years, we mostly went to the Soviet Union and China to buy technology, but no country agreed to give us that technology.

Countries have a natural right to possess the fuel cycle, but because of the capabilities that accompany such a technology, they avoided giving it to us. Thus, we started our efforts to obtain this capability through different means. We started our activities inside the country, things that we had to do to develop a national capability in this area. We also started to go to the black market and contact different individuals and networks. We took steps inside the country to address this issue and built up some capabilities through different means.

In more recent years, that is to say since 1378 [1999–2000], a decision was made to become more active and upgrade our capabilities. To this end, we redoubled our efforts in the country and granted the Atomic Energy [Organization of Iran] authorities that it did not have before. That is to say, we gave the agency a freer hand with new credits and a more liberal spending procedure, new facilities, and special regulations. This allowed them to become more active, without being forced to go through bureaucratic and regulatory labyrinths. It was after these activities that the uproar started in the Western media in the summer of 1381 [2002–2003], which argued that Iran is in the process of building an atomic bomb.

You may remember that this uproar started in Mordad 1381 [July–August 2002]. Reacting to this outcry in the Western media, the International Atomic Energy Agency (IAEA) asked Iran questions about this matter to determine whether Iran's actions were legal, to see if these activities were secret or open, to see if Iran had violated the terms of the NPT or if it had done anything against the rules.

You also may remember that after this great uproar in the international media, [IAEA Director General Mohamed] ElBaradei visited Iran in the winter of 1381 [2002–2003]. During that visit, he also visited [the enrichment facility at] Natanz. After that visit, the argument was put forward that Iran's case must be sent to the IAEA Board of Governors. Because the Americans at that time were determined to attack Iraq, they temporarily ceased to pursue the matter and put this issue on the back burner. But even under those conditions, the debate continued in the United States: Should they attack Iran first or Iraq? In the end, they decided to attack Iraq. So, America was getting ready to invade Iraq in Bahman [January–February], it appeared completely ready for action in Esfand [February–March], and began its attack on the last day of the month of Esfand [19 March].

Naturally, because of the issue of Iraq and the invasion of that country, the arguments over the Iranian issue subsided during the months of Farvardin and Ordibehesht [March–May]. Nevertheless, starting in Khordad [May–June], when America's victory in Iraq became evident and, as they themselves said, they succeeded in occupying Iraq – and the resistance that we see

today and the kind of pressure currently on the American troops had not materialized yet – they revisited this issue. They started to think that conditions were right for them to raise the issue of Iran at the meeting of the IAEA Board of Governors and to pave the way for sending the case to the UN Security Council. The idea was to plan sanctions or even military operations against Iran, or at least put political and economic pressure on this country.

It was for this reason that Iran's case, for the first time, was officially addressed in the meeting of the IAEA Board of Governors in Khordad 1382 [May—June 2003]. Of course, no resolutions were issued at that meeting. The director general of the International Atomic Energy Agency, Mohamed ElBaradei, presented his report, and the chairman of that meeting summarized the discussions by way of a statement, which was not a particularly good summary. It was then that we felt a threat, a sense of danger in the country. We thought that we might be facing a plot against Iran and that we might encounter some problems.

Until that time, the Atomic Energy Organization of Iran was the authority that was basically handling all political and technical issues concerning this case. That is to say, the Iranian Atomic Energy Agency was the authority that, with the president's approval, used to appoint the Islamic Republic of Iran's representative to Vienna to deal with the IAEA. Therefore, the Atomic Energy Agency Organization of Iran handled both the political and technical aspects of the issue. Of course, the Foreign Ministry also provided support at different junctures. Nonetheless, it was felt that this issue must be addressed at a higher level. Therefore, the Supreme National Security Council came to discuss the issue for the first time to determine our course of action. We held several meetings until we got closer to the next meeting of the IAEA Board of Governors, which was in September (Shahrivar 1382). Strong differences emerged between the Iranian Atomic Energy Agency and the Foreign Ministry over how to handle this issue. The Atomic Energy Organization of Iran argued that Iran's nuclear case was not an important issue and that we could successfully solve the problem at the Board of Governors' meeting. The Foreign Ministry, on the other hand, issued a strong warning that this case might have a very difficult road ahead. These two bodies, in fact, held exactly opposite views.

In the meetings that we held in the Secretariat of the Supreme National Security Council, it was very clear that we were dealing with differences of opinion. It was at this point that we engaged in a public argument in the country about what to do regarding the Additional Protocol [to the NPT]. If you remember, we had huge outcries in the country: should we accept the protocol or shouldn't we? Is accepting the protocol a necessity or an act of treason? The reason was that ElBaradei (the head of the IAEA) stated in his report, which was prepared for the September meeting and which was made public, declared that he would not be able to determine the truth of Iran's claims or carry out a verification, unless Iran accepted the Additional Protocol.

At the September [2003] meeting, the IAEA Board of Governors approved a strongly worded resolution against Iran based on consensus (without taking a vote). Of course, at that time, we were a member of the IAEA Board of Governors, too. The statement was prepared in such a way that it took us to the doorstep of the UN Security Council. It was very clear that this statement was a very carefully contemplated move that was planned behind closed doors to take us to the UN Security Council. It was under these conditions that a new discussion started in this country: What were we supposed to do under these circumstances?! One assumption was that we would end up going to the UN Security Council. Another argued that the problem could be solved somehow. At that juncture, when we reviewed the matter from a technical and legal point of view – by then we had created a committee in the Secretariat of the Supreme National Security Council that included ministers whose ministries were involved in this matter, and we

held lengthy discussions – we concluded that even if we fully cooperate with the IAEA to address all the concerns raised in their resolution, we still would be sent to the UN Security Council come November (Azar 1382). Therefore, we had to find other solutions to cooperate with the IAEA and not to go to the UN Security Council. The issue was not to guarantee that we would never go to the UN Security Council. Instead, the issue was that, at that time, the United States was at the height of its pride and our country also was not yet ready to go to the UN Security Council, so the issue was for the case not to be referred to the UN Security Council. At the same time, we had not yet tried all the ways available to us. We had not tried to see if we could solve the problem through other means. Therefore, we held numerous meetings and reviewed the issue from different perspectives and at different levels.

At the present time, too, we discuss and make decisions about the nuclear issue at four different levels. One is the technical level, considering the technical aspects of the issue. This is headed by a Foreign Ministry executive, and all of the relevant departments participate in these discussions. Technical discussions also take place at a higher level, during the meetings of the Supreme National Security Council Secretariat. The third level is a ministerial committee that also meets in the Supreme National Security Council Secretariat. The fourth is at the level of the heads of the ruling system.

All of the major fundamental decisions are made there. In the meeting of the heads of the ruling system, the issue was raised that, according to the September resolution of the IAEA Board of Governors, we were to present the IAEA with a complete report on our nuclear activities in previous years. The main discussion was this: Would presenting a complete picture of our past nuclear activities solve the problem? If we presented a complete picture, that picture itself could take us to the UN Security Council. If we did not present a complete picture, this would have been considered a violation of the resolution, and we would go to the UN Security Council on the grounds that we had violated the resolution. Therefore, no matter which option we chose, it was argued, our case would end up at the UN Security Council. Thus, we had a discussion at the lower, technical level: Should we start cooperating with the Europeans in this regard, and would such cooperation be effective? Some believed that cooperation with Europe would not have any effect on the situation, because Europe is not independent and the United States is determined to take us to the UN Security Council; so, they argued, Europe would not be able to do anything. There also were those who believed that cooperation with Europe could bear fruit. All these arguments were presented to the heads of the ruling system at their meeting.

You should also keep in mind that the three European countries sent a letter to the Iranian Government in the summer of 1382 and proposed a plan to deal with Iran's nuclear case. Of course, they raised different issues in that letter. One was that Iran should abandon its fuel cycle program. The Russian Government sent a similar letter to the Iranian Government. They also said Iran should abandon its fuel cycle program. So the issue was now this: Should we invite the three European ministers to visit Tehran? Those who opposed inviting the ministers to visit Tehran did so essentially from two different perspectives. Some argued that discussions with Europe would be fruitless, that the Europeans would not be able to do anything in front of the United States, even if they wanted to do something. There were others who believed that the Europeans, if we invited them to come to Iran, would not accept our invitation. Their reason was that three important European ministers had never joined together before to visit a non-European country on any mission and that such a thing was practically impossible. Our Foreign Ministry also believed that, even from a ceremonial point of view, this could not be done. That is to say, even if we invited the three ministers to visit Tehran, they would not come. Nevertheless, it was

decided during that meeting that we should invite those ministers to visit Tehran. If they declined, we would hold the meeting in one of the European countries. This discussion coincided with another discussion about the need for one person to take charge of the nuclear case and have all departments operate under his supervision. All of the participants in the meeting of the heads of the ruling system decided that I should take charge of this case.

It was at that time that we invited the three [European foreign] ministers [to visit Tehran]. The objective was to find a way to present a complete picture of our past nuclear activities, without being sent to the UN Security Council. If we did not make our past activities public, the IAEA would clearly take that as a sign of noncooperation. Most of the activities that we had not reported to the IAEA had already been reported to the IAEA by other countries that had worked with us and that were party to those activities, such as China. We had certain projects with China in the past that, according to the regulations, we had to report to the IAEA and had not done so. The Chinese, on the other hand, told us that they had reported all of those activities to the IAEA. In addition, we had purchased some equipment from the Russians, and they too, had reported all of it to the IAEA. It also became evident that the IAEA knew about some secret tests we had conducted a number of years earlier. For instance, we had conducted a test in Tehran. The person in charge of that project was a university professor. One of his students that year had written a dissertation, and several copies were made of that dissertation. The IAEA had accidentally taken possession of a copy of that dissertation, and we did not know anything know about it. It was only sometime later that the IAEA produced a copy of that dissertation and said: You have conducted that test. Or, for example, in another case that we thought nobody knew anything about, one of the scholars who participated in that project wrote a scientific paper about it and had it published in an international journal. The IAEA had a copy of that paper. Therefore, the IAEA was fully informed about most of the cases we thought were unknown to them. Moreover, in one instance – a test that we carried out 10 or 12 years ago – as we prepared to submit the report on our past activities to the IAEA, one of the IAEA officials told our people that we should be sure to include that test in our report! In fact, he wanted to tell us that they knew all about it! My basic discussion with the three European ministers was that if we presented a full picture of our nuclear program, according to the regulations, what would the Americans do, given that the Americans insist on taking us to the UN Security Council? If they were going to promise to resist the American pressure, we thought, we would cooperate. But if they were not going to resist, then we would choose a different path.

When we invited the three ministers, they all declared themselves ready to come to Iran, but they said that first the directors general of their respective foreign ministries must come to Iran on an unofficial visit to conduct technical negotiations to see if there was a way for us to move ahead or not. The directors general from the three European countries came to Tehran and talked with the experts from the Foreign Ministry and myself. In the end, the three foreign ministers decided to visit Tehran. Of course, until the last minute before the actual visit took place, we had not agreed on the final text of the accord. But they came to Tehran anyway. The working groups had first discussed the important issues but had failed to solve the problems. Therefore, inevitably, the issues were raised in the discussions between the three ministers and me. That meeting was very long. It started in the morning and lasted until about 1500, when we finally reached an agreement.

At that meeting, the Europeans promised us that if we presented a complete picture of the country's nuclear activities to the IAEA, as the resolution called for, they would resist the American pressure to take us to the UN Security Council and would not allow that to happen. Of

course, we might have been operating under unique conditions. The Americans were at the height of their pride and victory in Iraq, and the Europeans did not want to see that case go to the UN Security Council and cause another crisis in the region. There, they promised us that they would resist and would not allow that case to go to the UN Security Council. As a result, we presented the IAEA with a complete picture of our nuclear activities and also announced that we would sign the Additional Protocol. Of course, all the agreements that we made with the Europeans were agreements that the system had embraced beforehand. That is to say, even if we did not reach an agreement with the Europeans, we still would have unilaterally declared that we would sign the Additional Protocol. We would present the IAEA with a complete picture of our nuclear activities, and we would declare that we would suspend parts of our fuel cycle program. That is to say, decisions had been made beforehand that we would unilaterally take those steps even in the absence of an agreement with the three [European] countries. Nevertheless, we made a deal. The deal was for us to take those steps in exchange for some commitments by the Europeans.

The most important promise that they made to us was that they would stand firm against attempts to take this case to the UN Security Council and work to solve the problem within the framework of the IAEA. The Europeans upheld that commitment at the November meeting [of the IAEA Board of Governors]. Even though the Americans, backed by Australia, South Korea, and Japan, insisted on sending the case to the UN Security Council, the three European countries stood firm and did not allow the American proposal to go forward. This was a noteworthy development. The Russians even told us that this was an interesting scene in political history that we were witnessing, the United Kingdom going against the United States. We had not seen anything like that before, and it was beautiful to see. We put the November meeting behind us, but later we had some problems with our confidence-building measures with the Europeans.

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Overall, it is clear that Europe is not our friend and that it does not have a good relationship with Islam. Nevertheless, because of Iran's strategic position, Europe does not want to lose Iran. Under the present conditions, Iran is the only breathing space that Europe has in this region. It is for this reason that they do not want to lose this space. We think that in some instances they have cooperated with us and have not done so in other cases. There are also some differences between the United States and Europe, although when it comes to the nuclear issue, they generally agree and follow the same objective.

- 2. As for the question of what we can do now that they all disagree with our having the fuel cycle, I submit to you that we require an opportunity, time to be able to act on our capability in this area. That is, if one day we are able to complete the fuel cycle and the world sees that it has no choice, that we do possess the technology, then the situation will be different. The world did not want Pakistan to have an atomic bomb or Brazil to have the fuel cycle, but Pakistan built its bomb and Brazil has its fuel cycle, and the world started to work with them. Our problem is that we have not achieved either one, but we are standing at the threshold. As for building an atomic bomb, we never wanted to move in that direction and we have not yet completely developed our fuel cycle capability. This also happens to be our main problem.
- 3. One of the members indicated here that all this should have been done in secret. This was the intention; this never was supposed to be in the open. But in any case, the spies exposed it. We did not want to declare all this. Some of you say that if we had said from the start that we wanted to have the fuel cycle, the situation would have been easier. Yes, if we had decided to declare our intention at the beginning, if we had told the IAEA that we intended to build a UCF plant at the

same time that we started construction at Esfahan, if we had announced our facilities at Natanz from the start, we would not have any problems now, or our problems would have been far less than they are today. In fact, this is the very reason that our case has become so complicated. They ask: If you truly were after fuel cycle, why did you do it secretly?! This is the root of all problems. If we had done it openly, the problem would have been far simpler. In the beginning, we decided not to go public for a number of reasons. For example, pressure from the West to deny us primary materials, and reasons like that. We wanted to keep it secret for a while. Of course, we all knew at that some point this would become public knowledge. I do not want to get into the history of this issue at this time.

4. Some have pointed to a number of difficulties. In any case, there have been a number of problems, and today we are facing these conditions. The West is against us having the fuel cycle, and this happens to be our main problem. If the Russians had agreed that we should have the fuel cycle, our job would have been much easier. Even if China or Japan had agreed, we would have had an easier time. All these countries are against this. The powerful countries are all against this, and the United States and Israel also provoke them. Europe is against this, too, so it is not easy for us to carry on with our activities. If we can reach a political agreement to work with the world and activate our fuel cycle, that would be very desirable. We think there is a chance we would be successful in this undertaking. If we can, it would be a great, artful deed for the Islamic Republic of Iran. If we fail to reach our objective, that is, if the situation develops into a confrontation instead of cooperation, then the country must decide whether it wants to activate the fuel cycle – even if we go to the UN Security Council and they place sanctions against us – or it wants to continue the suspension.

[...]

Not only I or our politicians did not know, but even our technical people were not fully informed that our imported machines were contaminated. When the IAEA inspectors came to take their samples, we were happy. We thought that these inspections would show that our activities had been within the framework of the NPT.

[...]

As far as we are concerned, we are not sure about any of the promises that the Europeans are making, unless we ultimately reach a final agreement and see in practice whether they remain true to what they say. We do not have any trust in them. Unfortunately, they do not trust us, either. They think we are out to dupe them, and we think in the same way, that they want to trick and cheat us. Therefore, we should build trust, step by step and in practice.

This is a very, very complex and difficult effort. Personally, I am not very optimistic, but I am not without hope, either. In fact, I cannot even say that I am pessimistic and think that there is no way and that we are at an impasse. We must go forward. We may not achieve everything that we want 100%, and what the Europeans want may not come true, either. In the end, we – the Europeans and us – might compromise, accept something less than 100%, and reach an accord.

Well, apparently, the call to prayer [Azan] has been made. We must get ready to say our prayers and break our fast [iftar].

Peace and God's blessing upon you.

[Source: Tehran Rahbord in Persian, September 30, 2005, translated by Foreign Broadcast Information Service.]