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**Preparatory Committee for the 2010 Review  
Conference of the Parties to the Treaty on the  
Non-Proliferation of Nuclear Weapons**

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**Article III and preambular paragraphs 4 and 5, especially in  
their relationship to article IV and preambular paragraphs  
6 and 7: compliance and verification****Working paper by Australia, Austria, Canada, Denmark, Hungary,  
Ireland, the Netherlands, New Zealand, Norway, and Sweden  
("the Group")**

1. The Group stresses the important contribution of the Treaty to worldwide security and its undoubted effectiveness in checking nuclear proliferation, and thus preventing the destabilization caused by nuclear arms races. The Group underlines the importance of all States parties demonstrating strong commitment to the Treaty, not least in the face of the recent revelations of non-compliance.
2. The Group expresses the understanding that the Treaty confers a set of interrelated and mutually reinforcing obligations and rights on States parties. Accountability is a key element of the Treaty regime, which can be made stronger and more transparent through adherence by all States parties to the strengthened safeguards system pursuant to article III of the Treaty, in order to provide assurances of compliance with article II, and to create the stable international environment necessary to allow for the full realization of article IV. In this regard, the Group recognizes the importance of the annual safeguards conclusions drawn by the International Atomic Energy Agency (IAEA) with respect to the correctness and completeness of States' declarations.
3. The Group notes that meeting current and potential compliance challenges are key tasks for the NPT Strengthened Review Process. These challenges pose a significant test for the Treaty, and need to be met firmly by upholding the Treaty's integrity and reinforcing the authority of the safeguards system of the IAEA. The Group notes that intense international concern about nuclear weapons proliferation, including potentially to non-State actors, has added to the importance of the Treaty-based nuclear non-proliferation regime.
4. The Group affirms the fundamental importance of full compliance with all the provisions of the Treaty including with relevant safeguards agreements, and relevant subsidiary arrangements. It notes that the integrity of the Treaty depends upon full



respect by States parties for their obligations under the Treaty and deriving from the Treaty. The Group reaffirms the statutory role of the Board of Governors and the Director General of the IAEA in relation to States' compliance with safeguards agreements, and underscores the importance of the Agency's access to the United Nations Security Council and to other relevant organs of the United Nations, particularly though not exclusively in cases of non-compliance. In this regard the Group supports the former United Nations Secretary-General's encouragement of the Security Council to regularly invite the IAEA Director General to brief the Council on the status of safeguards and other relevant verification processes. The Group underscores the mandate of the Security Council, in accordance with the Charter of the United Nations, to ensure and uphold compliance with the Treaty and with safeguards agreements, and to take appropriate measures in cases of non-compliance with the Treaty and with safeguards agreements when notified by the IAEA of non-compliance. Further, the Group recalls Security Council resolution 1540 (2004) of April 2004 and resolution 1673 (2006) of April 2006, in which the Council reaffirmed that the proliferation of nuclear weapons constitutes a threat to international peace and security.

5. The Group notes that any State party which does not comply with its obligations under the Treaty isolates itself through its own actions from the benefits of constructive international relationships, and from the benefits which accrue from adherence to the Treaty, including inter alia from cooperation in the peaceful uses of nuclear energy, until it returns to full compliance.

6. The Group reaffirms its conviction that IAEA safeguards provide assurance that States are complying with their non-proliferation undertakings, and provide the mechanism for States to demonstrate this compliance and in this regard notes that the vast majority of States parties are in compliance with their Treaty obligations. The Group further reaffirms that IAEA safeguards thereby promote further confidence among States and, being a fundamental element of the Treaty, help to strengthen their collective security and to build the confidence essential for enhanced nuclear cooperation among States. It is the conviction of the Group that safeguards play a key role in preventing the proliferation of nuclear weapons and other nuclear explosive devices. Accordingly, IAEA safeguards, which play an indispensable role in ensuring the effective implementation of the Treaty, are an important, integral part of the international regime for nuclear non-proliferation.

7. The Group underlines the importance of building and maintaining confidence in the peaceful nature of nuclear activities in non-nuclear-weapon States. In this respect, it recognizes the importance of the annual safeguards conclusions drawn by the IAEA with respect to the correctness and completeness of States' declarations. The Group urges all States to cooperate fully with the IAEA in implementing safeguards agreements and in expeditiously addressing anomalies, inconsistencies and questions identified by the IAEA with a view to obtaining and maintaining the required conclusions.

8. The Group calls for the universal application of IAEA safeguards in all States parties in accordance with the provisions of the Treaty. The Group notes that since the 2005 Review Conference, 9 further Comprehensive Safeguards Agreements pursuant to the NPT have been brought into force, but expresses its deep concern that 30 States have yet to fulfil their respective obligations under the Treaty. The Group therefore urges those States parties which have not yet done so to conclude

such agreements. In addition, the Group calls on all States to submit all nuclear material and activities, both current and future, to IAEA safeguards.

9. While recognizing the value of comprehensive safeguards agreements based on document INFCIRC/153 (Corrected) in verifying the non-diversion of declared nuclear material, the Group is conscious that such agreements provide only a limited level of assurance regarding the absence of undeclared nuclear material and activities. The Group therefore considers that it is necessary for safeguards agreements based on document INFCIRC/153 (Corrected) to be supplemented by protocols additional to those agreements based on document INFCIRC/540 (Corrected) if the IAEA, as the competent authority designated under article III of the Treaty to apply safeguards, is to conclude that there has been no diversion of declared nuclear material and to provide credible assurances that there is no evidence of undeclared nuclear material or activities in a State. The Group fully endorses the measures contained in the model Additional Protocol, noting that implementation of an Additional Protocol will provide increased confidence about a State's compliance with article II of the Treaty.

10. The Group reaffirms that the implementation of a Comprehensive Safeguards Agreement (INFCIRC/153 (Corrected)) pursuant to article III.1 of the Treaty should be designed to verify the correctness and completeness of States' declarations to provide credible assurance of the non-diversion of nuclear material from declared activities and of the absence of undeclared nuclear material and activities. In this regard, the Group recognizes the importance of the model protocol additional to that agreement (INFCIRC/540 (Corrected)) as an integral part of the IAEA's safeguards system, providing additional tools to achieve this. The Group notes that a Comprehensive Safeguards Agreement together with an Additional Protocol represents the verification standard pursuant to article III.1 of the Treaty.

11. The Group notes that 112 States have signed additional protocols, and that such protocols are in force for 78 States. Of 64 non-nuclear-weapon States with significant nuclear activities, 45 have additional protocols in force and a further 12 have signed additional protocols. Thus, the great majority of States have accepted the verification standard. The Group urges all States parties which have not yet done so — particularly those with significant nuclear activities — to conclude and to bring into force an Additional Protocol as soon as possible in conformity with article III.1 of the Treaty. The Group recognizes the need for the IAEA to further facilitate and assist States parties in their working towards the conclusion and entry into force of safeguards agreements and additional protocols. In this regard, the Group welcomes the efforts of the IAEA Secretariat and a number of IAEA Member States to implement elements of a plan of action to encourage wider adherence to the safeguards system, including the promotion of universal adherence to the additional protocol, and the organization of regional seminars.

12. The Group notes the conclusion reached in June 2005 by the IAEA Board of Governors that the then existing Small Quantities Protocol (SQP) — which held in abeyance certain provisions of the Comprehensive Safeguards Agreement for qualifying States — constituted a weakness in the safeguards system. The Group further notes the decision of the IAEA Board of Governors in 2006 to modify the standard SQP text and change the eligibility for an SQP. The Group calls on all SQP States which have not already done so to take the steps necessary to adopt the revised SQP without delay. The Group urges SQP States that are planning to acquire

nuclear facilities or to otherwise exceed the criteria of the revised SQP to renounce their SQPs and to resume full application of Comprehensive Safeguards Agreement provisions without delay. The Group further urges all States with SQPs to bring into force an Additional Protocol in order to provide maximum transparency.

13. The Group welcomes the important work being undertaken by the IAEA in the conceptualization and the development of State-level approaches to safeguards implementation and evaluation. The Group also welcomes the implementation of State-level integrated safeguards approaches by the IAEA, which results in a system for verification that is more comprehensive, as well as being more flexible and effective, than current mechanisms. The Group welcomes the IAEA's implementation of integrated safeguards in 12 countries, including 5 with nuclear power plants. Attention needs to be drawn, however, to the fact that States parties must have both a Comprehensive Safeguards Agreement and an Additional Protocol in place for the IAEA to be able to make full use of this improved safeguards system. Implementation of the integrated system can proceed only after an Additional Protocol has entered into force, and the IAEA has drawn the whole of State safeguards conclusions essential to enable implementation.

14. The Group notes that in order to draw well-founded safeguards conclusions, the IAEA needs to receive early design information in accordance with the IAEA Board of Governors' 1992 interpretation, to determine whenever appropriate the status of any nuclear facilities, and to verify, on an ongoing basis, that all nuclear material in non-nuclear-weapon States is placed under safeguards. The Group stresses the need for all non-nuclear-weapon States parties to provide this information to the Agency on a timely basis.

## Annex

1. The Group takes note of the expressions of grave concern by States parties concerning the actions of the Democratic People's Republic of Korea since the latter's stated intention in January 2003 to withdraw from the NPT and its test of a nuclear explosive device in October 2006. In this regard, the Group notes the adoption in 2006 of United Nations Security Council resolutions 1695 (2006) and 1718 (2006) on the Democratic People's Republic of Korea. The Group recalls that the IAEA Board of Governors reported the non-compliance of the Democratic People's Republic of Korea with its NPT safeguards obligations to the Security Council in 2003. While the Group welcomes the most recent progress achieved at the Six Party Talks, it is cognizant that an important part of any normalization of the status of the Democratic People's Republic of Korea with regard to the Treaty will be the resumption of safeguards activities in the Democratic People's Republic of Korea consistent with the requirements of article III.

2. The Group condemns the nuclear test carried out by the Democratic People's Republic of Korea on 9 October 2006. The Group underlines that the Democratic People's Republic of Korea nuclear weapons programmes remain a serious challenge to the international nuclear non-proliferation regime as well as to peace and stability in the Korean Peninsula and beyond. The Group deeply regrets the Democratic People's Republic of Korea announcement of withdrawal from the Treaty and calls upon the Democratic People's Republic of Korea to come into compliance with the NPT and with IAEA safeguards. In this context, the Group calls upon the Democratic People's Republic of Korea to dismantle completely its nuclear weapons programme in a prompt, verifiable and irreversible way.

3. The Group endorses the actions taken by the IAEA Board of Governors, particularly its resolution of 12 February 2003, in which the Board declared the Democratic People's Republic of Korea to be in further non-compliance with its obligations under its Safeguards Agreement and decided to report that non-compliance to the Security Council as provided for in article XII.C of the IAEA Statute.

4. The Group welcomes the agreement reached on 13 February 2007 following the Six Party Talks in Beijing, in which the Democratic People's Republic of Korea committed to initial actions towards the implementation of the September 2005 Joint Statement. The Group welcomes, in particular, the commitment by the Democratic People's Republic of Korea to shut down and seal, for the purpose of eventual abandonment, the Yongbyon nuclear facility, including the reprocessing facility, and to invite back IAEA personnel to conduct all necessary monitoring and verifications. The Group underlines the importance of the Democratic People's Republic of Korea providing a complete declaration of all its nuclear programmes and disablement of all its existing nuclear facilities, as provided for in the 13 February 2007 statement.

5. The Group notes the grave concern expressed by many States parties about failure of the Islamic Republic of Iran to establish confidence in the peaceful nature of its nuclear activities, and recognizes that the nuclear programme of the Islamic Republic of Iran continues to present a major challenge to the non-proliferation regime. In this regard, the Group notes the adoption by the Security Council of resolutions 1696 (2006), 1737 (2006) and 1747 (2007) following the IAEA Board of Governors' reporting of the non-compliance of the Islamic Republic of Iran with its NPT safeguards agreement to the Security Council in February 2006 (IAEA

document GOV/2006/14). The Group stresses the importance of Security Council decisions which supported and ultimately made mandatory the IAEA Board's calls for the Islamic Republic of Iran to implement a suspension on enrichment-related activities and other confidence-building measures. The Group underscores the need for the Islamic Republic of Iran to take the steps specified by the IAEA Board and the Security Council so as to resolve outstanding questions concerning its nuclear programme and to contribute to the re-establishment of the confidence of States parties in the peaceful nature of its nuclear activities.

6. The Group notes that since 2003 the nuclear programme of the Islamic Republic of Iran has been the subject of ongoing and intense verification measures by the IAEA. The Group recognizes that although some issues have been resolved, there are still important outstanding issues, including the origin of LEU and HEU contamination, unexplained activities with a possible military nuclear dimension and the history of the Islamic Republic of Iran's centrifuge enrichment and plutonium separation activities. The Group underlines that resolution of all outstanding issues, as well as the full implementation of the Islamic Republic of Iran's Safeguards Agreement including its Additional Protocol, are essential before the IAEA can conclude that the Islamic Republic of Iran is in compliance with its NPT obligations. The Group notes with serious concern the Islamic Republic of Iran's continued suspension of its cooperation with the IAEA under the Additional Protocol signed by it in 2003. The Group underlines the importance of full cooperation from those States that have provided nuclear technology and equipment to the Islamic Republic of Iran and urges the Islamic Republic of Iran to extend full and prompt cooperation to the IAEA.

7. The Group endorses the action taken by the IAEA Board of Governors on the Islamic Republic of Iran's nuclear programme, including the September 2005 IAEA Board resolution finding that the Islamic Republic of Iran's many failures and breaches of its obligations to comply with its NPT safeguards agreement constitute non-compliance in the context of article XII.C of the Agency's Statute, and the February 2006 IAEA Board resolution requesting the Director General of the IAEA to report to the Security Council of the United Nations the steps required of the Islamic Republic of Iran by the IAEA Board and the reports and resolutions, as adopted by the IAEA Board, relating to the issue.

8. The Group expresses serious concern at the Islamic Republic of Iran's continuing uranium enrichment activities in defiance of IAEA Board resolutions and Security Council resolutions. The Group further expresses concern at the Islamic Republic of Iran's rejection of the Security Council endorsed proposals of China, France, Germany, the Russian Federation, the United Kingdom of Great Britain and Northern Ireland and the United States of America, with the support of the European Union High Representative, for a long-term comprehensive solution to the Islamic Republic of Iran nuclear issue including the provision of legally binding, multilayered nuclear fuel assurances for the Islamic Republic of Iran. The Group urges the Islamic Republic of Iran to explore alternatives to indigenous enrichment capability. A lasting solution that can alleviate the concerns of the international community as to the nature of the Islamic Republic of Iran's nuclear programme will be an important contribution to the stability of the region.

9. The Group welcomes the decision of the Libyan Arab Jamahiriya announced in December 2003 to abandon its programme for developing weapons of mass

destruction and their means of delivery, and the simultaneous decision of the Libyan Arab Jamahiriya to request the IAEA to ensure through verification that all of its nuclear activities would henceforth be under safeguards and exclusively for peaceful purposes. The Group further welcomes the Libyan Arab Jamahiriya's signing of an Additional Protocol in March 2004 and ratification in August 2006. The Group considers that the Libyan Arab Jamahiriya's actions stand as a prominent example of the benefits available to States that embrace transparency and commit to compliance with the highest non-proliferation standards.

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