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Washington Post

## **Europeans to Press Iran on Nuclear Plans**

U.S. Backs Initiative Endorsed by G-8 but Is Skeptical Tehran Will Honor Terms

By Robin Wright – 16 October 2004

The United States yesterday effectively and reluctantly agreed to allow three European nations to launch a final diplomatic initiative aimed at persuading Iran to accept a plan that would block it from developing a nuclear weapon, U.S. and European officials said.

Increasingly alarmed by Iran's potential to develop nuclear weapons, Germany, France and Britain -- endorsed by the Group of Eight, the world's wealthiest alliance -- will meet next week with Iranian officials to make it clear that Tehran faces a choice: Embrace the process outlined in this diplomatic effort or face the possibility of new pressures or punitive action from the United Nations, the officials said. The terms were outlined during talks at the State Department yesterday between the United States and its G-8 allies.

The outline of a two-stage compromise is emerging from the Europeans' overture to Tehran, said several European officials familiar with the plan. During the first stage, effective immediately, Iran would indefinitely suspend all efforts at developing an independent fuel cycle for its nuclear energy program but not give up its right to enrich uranium, the officials said. Enriched uranium can be diverted to military uses.

That first stage would have to be completed and verified by a team from the International Atomic Energy Agency before the U.N. nuclear watchdog agency's next board meeting, in late November.

The second stage would involve broader talks on long-term security and economic issues, to help "normalize" Iran's place in the world and to reassure the international community about various Iranian policies, said a senior European envoy familiar with the plan.

The Europeans, for example, would be willing to explore new trade agreements, technology cooperation and other assistance while working out a permanent agreement on Iran's nuclear program and discussing other contentious issues, such as terrorism and the Middle East peace process.

At some stage of the negotiations, the Europeans expect the United States to participate in the diplomatic effort, ending 25 years of tensions, the European envoy said. The overall goal is to signal to Iran that it should not need to develop its own fuel cycle.

Iran's first nuclear reactor at Bushehr, a 1,000-megawatt facility Russia just completed, is due to start up in 2005 or 2006. The Europeans want an agreement whereby Moscow provides the fuel to Iran, and Iran returns the spent fuel to Russia, the envoys said.

The sweeping potential for cooperation is a "dream offer" that could make Iran "the big winner in the region," said the senior European envoy, who spoke on the condition of anonymity because of the sensitive diplomacy.

The State Department called yesterday's talks "useful." But the U.S. delegation, led by Undersecretary of State John R. Bolton, expressed deep skepticism that Iran will comply, given its failure to follow through on an agreement with Germany, France and Britain a year ago.

"We emphasized to our G-8 partners that Iran should not be allowed to defy any longer the requirements and requests called for in the past five IAEA resolutions," said State Department press officer Edgar Vasquez.

A senior State Department official, speaking anonymously because of the sensitive diplomacy, added that there has been no sign that the Iranians will take this initiative any more seriously. "So, unfortunately, our feeling is that the Iranians are still Iranians," he said.

The G-8 -- which also includes Japan, Canada, Italy and Russia -- was brought in to widen the leverage. "We're not alone anymore," said one envoy from the original three countries party to the talks.

The specifics of the four-page European plan are scheduled to be put forward next week, possibly Thursday in Vienna, European and Iranian envoys said. Other G-8 members will pursue parallel bilateral discussions directly with Tehran, European envoys said.

In an interview, a senior Iranian official said Tehran is ready to take "very positive measures for confidence building," including "voluntary, temporary" steps to ensure that the country will not divert nuclear technology for use in weapons.

For Iran, the most important element in any agreement is recognition of Tehran's right to nuclear technology for energy, he said. "There is a good possibility for a solution. Providing this condition which emanates from our insistence on mutual respect is met, then Iran will be forthcoming," he added on the condition of anonymity because of the ongoing diplomacy.

But he also warned that the Islamic republic does not want to be confronted or faced with "pressure tactics." "The Europeans know our red lines, and the room for maneuver is well understood," he said. "But if they want to set specific demands and use pressure tactics, then it will be dead on arrival."

The initiative emerged not only because the Europeans want to try at least one more time, but also because of the potential difficulties of winning agreement at the IAEA meeting next month and then at the U.N. Security Council if Iran does not comply, European envoys said. Non-aligned countries such as South Africa, Brazil and Malaysia fear that any move against Iran would set a precedent limiting their potential to develop nuclear energy programs, the diplomats said.

"It's one thing to say we'll go to the Security Council," said a European informed about the new diplomacy, "and another thing to get there."

## Reuters

### **Iran Rejects Any Deal to End Uranium Enrichment**

by Amir Paivar – 16 October 2004

TEHRAN (Reuters) - Iran said on Saturday it would reject any proposal to halt uranium enrichment, a step European Union diplomats are proposing to end a row over whether Iran is seeking atomic weapons.

EU diplomats have said they are seeking U.S. and Russian support for a deal that would ask Iran to give up uranium enrichment in return for technical and economic assistance.

"Any proposal which deprives Iran of its legitimate right to a fuel cycle is not acceptable," Hossein Mousavian, Iran's head of foreign policy on the Supreme National Security Council, told state television.

However, he said he was not responding to a specific offer.

"We have not yet received the text of the proposal and have to see what it contains to assess it," he said.

Uranium enriched to a low level can be used to fuel nuclear power stations such as one Iran is building at the southern port of Bushehr.

If enriched further it can be used in nuclear warheads. But oil-rich Iran denies accusations from Washington that it has military nuclear ambitions and argues its atomic program is dedicated solely to meeting booming demand for electricity.

EU diplomats have said Iran's chief nuclear negotiator Hassan Rohani will visit Europe over the next two weeks as part of Iran's diplomatic efforts to avoid being sent to the U.N. Security Council in November for possible sanctions.

### **EU will continue to push**

The French Foreign Ministry in Paris, asked about Mousavian's remarks, said France would still push for Iran to give up its enrichment program.

"Time is short. France and its partners will continue to work with the Iranian authorities ... with, as their goal, securing the complete suspension by Iran of its enrichment and reprocessing activities," a spokesman said.

Iran mines uranium ore in its central desert near the city of Yazd, and Iranian politicians have been united in saying that the fuel cycle, from cutting uranium ore out of the ground to producing fuel, should be entirely in Iranian hands.

"Iran will supply fuel to its power stations from its own resources," Hassan Firouzabadi, chief of staff of the armed forces, told Sharq newspaper. "Western countries want to get our oil then sell us nuclear fuel at tens or hundreds of times more than its price," he added.

U.S. presidential hopeful John Kerry and his allies have proposed "calling Iran's bluff" by offering to supply atomic fuel so that Iran could give up its enrichment program.

Foreign ministers from Britain, France and Germany won Iran's guarantee to suspend uranium enrichment when they visited Tehran last year.

But the promise lapsed and Iran has since restarted making parts for centrifuges that enrich uranium by spinning it at supersonic speed, and has started producing uranium hexafluoride, the centrifuges' feed gas.

Israel has increased pressure on Iran's enrichment activities by buying in weaponry that could target centrifuge bunkers, deep underground near the central town of Natanz.

## New York Times

### **U.S. Acquiesces in European Plan for Talks With Iran**

by Steven R. Weisman – 16 October 2004

WASHINGTON - The Bush administration on Friday acquiesced in a plan by three European nations to offer Iran a discussion on political ties and future economic and other benefits in return for an immediate suspension of its nuclear-fuel-enrichment efforts, European and American officials said.

The officials said an understanding to proceed with the offer to Iran next week had come at an unusual and occasionally frosty meeting of top envoys of eight leading industrial nations and the European Union that had been hastily scheduled to head off growing dissatisfaction among American allies over what they see as the administration's nonconciliatory approach on Iran.

Administration officials said they were extremely skeptical that another offer to Iran would persuade it to stop its enrichment activities, which are suspected to be a cover for making nuclear weapons. The United States instead favors taking up Iran's program at the United Nations Security Council for possible consideration of sanctions.

"We've been a broken record on this since the beginning of the process," said an administration official. "It's safe to say that American expectations are fairly low, based on Iran's miserable track record, including its almost instantaneous breaking of the last agreement we had with them."

The official was referring to Iran's agreement to halt its uranium enrichment program last year, only to change its mind this year, citing what it said was a Western refusal to let it have a peaceful nuclear program.

The meeting on Friday occurred at the State Department with envoys from Britain, France, Germany, Italy, Russia, Japan, Canada and the European Union. According to officials familiar with the session, a four-page plan for Iran drafted by Britain, France and Germany was circulated and discussed but not formally adopted. The plan, various officials said, called for the British, French and Germans to tell Iran next week that if it suspended its uranium enrichment in November, and if this were verified by the International Atomic Energy Agency, a discussion would begin aimed at improving relations over the long term.

Among the items that the Europeans would be willing to discuss with Iran, the document proposed, are a supply of nuclear fuel for civilian reactors, improved trade and commercial ties, and Iran's possible role in efforts to settle the Israeli-Palestinian conflict. The Europeans would also want to discuss human rights in Iran and the problem of terrorism in the region.

According to people familiar with the session, the main American representative at the talks, John R. Bolton, under secretary of state for arms control and international security, was highly skeptical that any such approach would work or was worth trying. Deputy Secretary of State Richard L. Armitage opened the meeting but left after it began.

A European envoy said Mr. Bolton had been unable to disguise his apparent disdain for the European proposal and spoke with "the minimum courtesy imaginable" in a way that "bordered on the unacceptable." But he said Mr. Bolton nonetheless agreed tacitly to let the Europeans go ahead with their initiative. Mr. Bolton would not comment.

"They didn't jump on the train physically," a European official said, describing the American attitude. "But there was nobody who told us, don't go ahead."

An administration official, amplifying the American attitude, said: "They didn't ask for our approval, and we didn't offer it. But everyone came out of the meeting understanding that we're not objecting to it or blocking it either. They said they really wanted to do it. We said, it sounds like you're going to do it anyway, so go ahead."

As a result, a meeting is expected as early as next Thursday, perhaps in Vienna, the headquarters of the International Atomic Energy Agency. A spokesman for the Iranian mission at the United Nations in New York, Morteza Ramandi, said a meeting would probably occur next week.

Officials familiar with the paper discussed on Friday also said it called for a "two-track approach" of engagement, coupling rewards with a threat of confrontation if Iran did not go along. The path of confrontation would be pursued by getting the International Atomic Energy Agency's board of governors to refer the matter to the United Nations.

The international agency has criticized Iran for noncompliance with disclosure demands on its nuclear program but has not labeled its efforts as clearly aimed at producing a bomb. The agency's 35 board members are divided over whether to send the matter to a body that would immediately discuss sanctions.

Not only are China and Russia opposed to sanctions, but a group of so-called nonaligned countries including Brazil, South Africa and Malaysia also oppose anything that might suggest that countries cannot have peaceful nuclear energy programs.

Iran maintains that its enrichment efforts are part of a civilian program permitted by the Nuclear Nonproliferation Treaty, which it signed. The treaty grants access to imported nuclear technology if countries agree to international inspections.

Iran has two forms of nuclear energy programs. In one program, it is enriching uranium, and the International Atomic Energy Agency recently found that it possessed 37 metric tons of "yellow cake," a

uranium substance that can be enriched for reactors or for bombs. Some experts say 37 metric tons is more than enough needed for civilian purposes and raises suspicions that Iran wants the material for arms.

The second Iranian program is a heavy water reactor dependent on importing fuel from Russia, which has said it would ship the fuel to Iran next year and then re-import it when it is used and becomes available for a nuclear weapon.

European officials said Friday that as part of the discussions at the State Department, Russia in effect agreed to join with the other nations in urging Iran to suspend its uranium enrichment, and that Russia would not ship any fuel to Iran unless it cooperated. But other experts say Russian attitudes are not exactly clear.

Any suspension of uranium enrichment by Iran would have to be "sustained," a European official said - in effect, permanent, although the word "permanent" is avoided because a lasting arrangement for Iran to drop its nuclear weapons ambitions needed to be worked out over the long term.

A long-term agreement would have to be able to verify that Iran had fully abandoned any nuclear weapons program, European officials said, though they acknowledged that verification was technically difficult as long as Iran insists its programs are for civilian purposes.

In addition, European officials say any solution would have to acknowledge Iran's right to have a civilian nuclear energy program. Iran, they say, will never accept a forced abandonment of what it regards as its rights under international agreements.

## BBC News

### **Russia urges Iran nuclear action**

17 October 2004

Russian Foreign Minister Sergei Lavrov has said Iran must take more steps to dispel concern about its nuclear programme, Russian media have reported.

He said Iran should ratify a protocol signed last year with the International Atomic Energy Agency (IAEA), and end its uranium enrichment programme.

Iran says it will reject any proposal for a complete halt to such activities.

The UK, France and Germany are to present a package aimed at convincing Tehran to give up nuclear ambitions. The Iranian government is expected to receive the proposal next week.

The IAEA has set a deadline of the end of November for Iran to suspend all uranium enrichment-related activities.

The US accuses Iran of aiming to develop nuclear weapons, but Iran says its nuclear programme is purely for peaceful purposes.

Correspondents say Washington still favours UN sanctions against Iran but is prepared to give the Europeans a final opportunity to negotiate a settlement before next month's deadline.

Russia is opposed to sanctions, which could threaten its \$800m deal to build Iran's Bushehr nuclear power station.

### **Moratorium**

Mr Lavrov said there were specific steps Tehran could take to calm IAEA fears about its nuclear programme.

"The IAEA would like to see more steps promoting greater trust in the Iranian nuclear programme and Iran must take such steps," the Russian Interfax news agency quoted him as saying.

He specified that Iran should ratify a protocol it signed last year allowing for additional IAEA inspections, and impose a moratorium on its enrichment programme.

But the Russian minister said Russia would continue to co-operate with Iran on construction at Bushehr.

Efforts to get Iran to abandon enrichment have been a failure so far, yet prospects of imposing effective sanctions on Iran through the UN Security Council are uncertain to say the least, says BBC News Online's world affairs correspondent Paul Reynolds.

National security official Hossein Mousavian said on Saturday that Tehran would not be deprived of its legitimate right to a nuclear fuel cycle.

Mr Mousavian's words appeared to confirm the lack of optimism that an offer to Iran would work.

However, he said Iran was ready to consider continuing its suspension of uranium enrichment and discuss new initiatives to provide guarantees that the process would never be diverted to military purposes.

Our correspondent says Britain, France and Germany feel there is a window of opportunity ahead of a meeting of the IAEA on 25 November.

The European offer is said to include a pledge to resume EU-Iran trade talks.

It is also thought to include guarantees that Iran will have access to nuclear fuel from Russia.

Associated Press

### **Iran May Suspend Some Nuclear Activities**

by Ali Akbar Dareini – 18 October 2004

TEHRAN, Iran - Iran said Monday it is prepared to temporarily suspend some nuclear activities but would not surrender its right to enrich uranium.

The remarks by the country's top nuclear negotiator, Hasan Rowhani, came just as the three major European powers were expected to offer Iran a package of economic incentives in hopes of persuading Tehran to abandon uranium enrichment, a process that can be used to produce fuel for nuclear weapons and reactors.

The move by Britain, France and Germany, expected this week, is designed to head off a confrontation between Iran and the U.N. nuclear agency, where the United States has been arguing that Iran has secret plans to build atomic weapons.

"From a tactical point of view, discussion on how long to continue suspension (of some nuclear activities) is negotiable," Rowhani told state television Monday.

"But if the discussion is about depriving us of our legitimate right (to manage the cycle of nuclear fuel), it's not negotiable. Our negotiating team is not authorized to discuss this either with Europeans or others," Rowhani said.

Any suspension of nuclear activities would have to be for "a short period," he said. He did not specify what activities Iran would suspend.

Iran says its nuclear program is devoted entirely to electricity generation. Its first nuclear reactor, built with Russia assistance, is due to come on stream next year.

But the country has come under intense international pressure to halt uranium enrichment.

Last month, the International Atomic Energy Agency unanimously passed a resolution demanding that Iran freeze all work on uranium enrichment and related activities, such as uranium reprocessing and the building of centrifuges used for enrichment.

The U.N. nuclear watchdog is due to meet Nov. 25 to judge Iran's compliance. An unsatisfactory judgment could put Iran at risk of U.N. Security Council sanctions.

Iran has already defied the IAEA resolution by continuing to build centrifuges and by converting a few tons of raw uranium into hexafluoride gas, a stage before enrichment.

Iran has branded the IAEA resolution as illegal and says the Nuclear Nonproliferation Treaty entitles it to enrich uranium.

"We have some red lines. We have some principles. And we won't give up our principles," Rowhani said.

"It's unacceptable for us that we are told Europeans and Americans have the right to manage the cycle of nuclear fuel and possess nuclear power plants, but Iran doesn't."

Rowhani said Iran had done all it could do to remove doubts about its nuclear program.

"We have provided the IAEA with all the information required to remove ambiguities and answered all the questions which the inspectors asked," he said.

Reuters

### **Iran Given Last Chance to Halt Uranium Enrichment**

By Louis Charbonneau – 19 October 2004

VIENNA (Reuters) - Senior officials from France, Britain and Germany will meet Iran's top nuclear negotiator in Vienna Thursday to offer Tehran a final chance to halt uranium enrichment plans or face possible U.N. sanctions. "This Thursday, there will be a meeting of our political directors," British Foreign Secretary Jack Straw told a London news conference with German Foreign Minister Joschka Fischer.

"What will be sought Thursday will be discussions about Iran's compliance -- not with any conditions laid down by the three of us, but by the (International Atomic Energy Agency) board of governors," he said. "A proposal will be put to them."

Last month, the IAEA board passed a resolution demanding that Iran freeze its uranium enrichment activities -- procedures that could produce fuel for nuclear weapons -- but Tehran rejected the demand as illegal.

Officials in Tehran said negotiator Hassan Rohani, secretary-general of Iran's Supreme National Security Council, would travel to Italy Tuesday evening. It was unclear what his itinerary would be prior to Thursday's meeting in Vienna.

Gholamreza Aghazadeh, head of Iran's Atomic Energy Organization, said Iran was determined to press ahead with its atomic plans and would not give up its right to enrich uranium.

"We will review the Europeans' proposal only if it respects Iran's right (to master the nuclear fuel cycle)," Aghazadeh told state television.

The process of enriching uranium increases the concentration of an especially radioactive isotope in the metal, resulting in a product usable in nuclear power plants or weapons.

Tehran says it wants to produce low-enriched uranium fuel only for power generation, but Washington says it has a covert plan to produce highly enriched fuel for atomic weapons.

Diplomats said the meeting between Rohani and the European political directors would take place in Vienna, where the IAEA has its headquarters. But they said the IAEA would not be directly involved in the talks.

The IAEA has been investigating Iran's nuclear program for more than two years. While it has uncovered many previously hidden activities that could be related to a weapons program, it has found no "smoking gun" to support U.S. allegations Tehran has an active atom bomb program.

### **“Very serious situation”**

If Iran rejects the EU offer, diplomats in Vienna say most European states would back U.S. demands that Tehran be reported to the U.N. Security Council when the IAEA meets in November.

"We hope very much this matter can be resolved finally within the board of governors and not referred to the U.N., but only time will tell," Straw said.

Fischer emphasized that suspending uranium enrichment was something Iran had already promised the EU trio in October 2003.

"Let me use this opportunity to appeal once again to the leadership of Iran to fulfill its commitments and to avoid miscalculation which will lead us into a very serious situation," Fischer added.

This meeting follows Friday's session of the Group of Eight (G8) industrial nations, where the European Union presented its plans to use a "carrots and sticks" approach with Tehran, offering incentives in exchange for a verified suspension and eventual termination of uranium enrichment.

One Western diplomat said that at Friday's G8 meeting, the U.S. response to the EU was one of deep skepticism about whether Iran would comply with the terms of the deal, which is aimed at cutting off Iran's ability to make bomb-grade uranium.

"Neither the Russians nor the Americans actively support the EU three deal," said one Western diplomat about the G8 meeting.

## Deutsche Welle

### **Germany and Britain Warn Iran**

20 October 2004

The foreign ministers of Britain and Germany issued a joint warning to Iran on Tuesday to address international worries about its nuclear program, serving notice that Tehran must take action immediately.

"We have worked very closely to try and deal with the deep concerns we have about Iran's nuclear program," British Foreign Secretary Jack Straw said following talks in London with his German counterpart Joschka Fischer. "Iran has yet to give us the confidence we need about its intentions," he said at a joint press conference with Fischer, who endorsed the sentiments.

"I want to underline that we are very much on the same track on Iran. We are very concerned about the developments and I think it's very important that there is not a miscalculation in Tehran," the German minister said.

### **Call for suspension of uranium enrichment**

Iran stands accused of secretly trying to develop nuclear weapons, a charge it denies. In September, the International Atomic Energy Agency (IAEA) called on Iran to "immediately" widen its suspension of uranium enrichment to include all uranium enrichment-related activities, which it has so far refused to do so.

Iran faces a November 25 deadline, after which it risks being referred to the United Nations Security Council for further action. Immediate action was needed, Straw stressed, saying: "We can't go on indefinitely."

"Iran can still give us confidence before the next meeting of the IAEA's board on November 25 by introducing an indefinite suspension of its enrichment and processing-related activities."

### **Confidence cannot yet be restored**

Earlier, another British minister urged Tehran to "act decisively" if it was to avoid being referred to the Security Council. "Confidence cannot be restored unless Iran agrees to suspend its fuel cycle activity, including all centrifuge work and uranium conversion," International Security Minister Denis MacShane said at a meeting in London.

"They are not necessary for a civil nuclear power generation program but would give Iran the technologies which would help it towards a military nuclear capability."

"Iran faces a clear choice," MacShane said. "It can choose to live up to its commitments, comply in full with the (IAEA) board's resolutions, including by putting in place a full and lasting suspension and reap the benefits of the international confidence this would create. Or it can spurn the chance to reassure the international community."

He added: "In that case the board will need to discuss additional measures, including very probably referral to the UN Security Council."

### **"Carrots and sticks" plan rebuffed by Iran**

This latest meeting follows Friday's session of the Group of Eight (G8) industrial nations, where the European Union presented its plans to use a "carrots and sticks" approach with Tehran, offering incentives in exchange for a verified suspension and eventual termination of uranium enrichment.

Iranian officials almost immediately rejected any such plan, saying that incentives used in dealing with other states such as Libya would not work with Iran.

One Western diplomat said that at Friday's G8 meeting, the US response to the EU was one of deep skepticism about whether Iran would comply with the terms of the deal, which is aimed at cutting off Iran's ability to make bomb-grade uranium. "Neither the Russians nor the Americans actively support the EU three deal," said one Western diplomat about the G8 meeting.

### ABC Online

#### **President says Iran ready to talk on nuclear issues**

20 October 2004

The Iranian President says discussion and negotiation are the only way to resolve his country's dispute with the international community over its nuclear program.

Mohammad Khatami says Iran is ready to reassure the world it is not pursuing nuclear weapons.

His comments came after Iranian Defence Minister Ali Shamkhani announced the test firing of a new ballistic missile.

Iran has previously test fired improved versions of the Shahab 3 missile.

However, the timing of this test is interesting, as it comes before a meeting on Thursday in Europe to discuss a compromise formula to resolve concerns about Teheran's nuclear program.

Iran's conservative Defence Minister's remarks contrasted sharply those made by the reformist President Khatami, who stressed the need for dialogue and cooperation to resolve the nuclear issue.

### Times of India

#### **N-technology use only for peace, Iran tells 'friend' India**

20 October 2004

NEW DELHI: Although India has assiduously avoided mention of Iran's nuclear ambitions, the two-day talks between national security adviser J N Dixit and Iran's top nuclear negotiator Hassan Rouhani in Iran did not evade the nuclear issue. Rouhani, according to the MEA, reassured India on Iran's "efforts on peaceful uses of nuclear energy".

Iran's leadership has declared that Iran was determined to press ahead with its atomic plans and would not give up its right to enrich uranium, but without pursuing nuclear weapons.

It's not something that the rest of the world believes and Iran is presently facing UN sanctions for its nuclear programme. Dixit's visit to Iran is interesting as it comes on the eve of Rouhani's meeting with a EU team in Vienna to find a way out of Iran's present nuclear dilemma, and perhaps avoid UN sanctions.

India is uniquely placed because while it is on the right side of the nuclear debate, it is also one of the few countries to enjoy excellent relations with Iran.

The India-Iran relationship has attracted significant attention, particularly from the US. This has been heightened as India presses for more sensitive technology from the US. It is in this context that the US' recent penalties on two Indian scientists for "collaboration" with Iran has assumed interesting proportions. India has been furious with the sanctions, particularly since one of the scientists did not even visit Iran. Analysts here tend to look at the move through the prism of deteriorating US-Iran relations and categorise it as a not-so-subtle message to India about its ties with Iran.



Although India has been nonchalant in its views about Iran's nuclear programme, it is only recently that the full import of its implications have dawned on Indian policy makers. International analysts believe that the fact that Iran is at daggers drawn with Saudi Arabia and Israel makes its present nuclear stance that much more dangerous.

They say that Iran crossing the nuclear threshold may well be followed by Saudi Arabia. Besides, Israel could just as well do an Osirak and "take out" Iran's nuclear capability, a reality that Iran must have contended with. It is probably this reality that German foreign minister Joschka Fischer referred to when he urged Iran "to fulfil its commitments and to avoid miscalculation that will lead us into a very serious situation".

Iran's problems are compounded by the fact that the US believes it is aiding Al-Qaeda leader Al Zarfawi, currently the US' biggest bugbear.

The US on Monday even warned Iran against providing any type of support to Al-Qaeda-linked foreign militant Abu Mussab al-Zarfawi and his Tawhid wal Jihad group, saying it would be a "very, very serious matter".

### Haaretz

#### **Iran test fires upgraded missile capable of reaching Israel**

by Haaretz Service and Reuters – 20 October 2004

Iran said Wednesday it test fired an upgraded and more accurate version of its Shihab-3 medium-range missile, believed to be capable of hitting Israel and United States bases in the Persian Gulf.

"Iran test fired a more accurate version of the Shihab-3 in the presence of observers," Defense Minister Ali Shamkhani told reporters after a weekly cabinet meeting.

Iran emphasizes its missile program is purely deterrent and denies American and Israeli allegations it wants to develop nuclear warheads which the Shihab-3 could deliver.

Earlier this month the official IRNA news agency quoted influential former president Akbar Hashemi Rafsanjani as saying Iran was able to launch a missile with a range of 2,000 kilometers.

The missile could reach Israel and parts of southeastern Europe.

"Experts know that a country that possesses this can obtain all subsequent stages" in missile production, Rafsanjani told staff at the Aerospace Research Institute in Tehran.

His statement came days after Iran said it had added a "strategic missile" to its arsenal after a successful test.

The old version of Iran's Shihab-3 missile was known to have a range of 1,296 kilometers - making it capable of reaching Israel and U.S. military bases in the Middle East.

Israel has expressed increasingly vocal concern over Iran's nuclear program, which, Jerusalem says, is aimed at producing nuclear weapons. Iran denies the charge, saying it is intended for generating electricity, and has warned Israel against any efforts to destroy its atomic facilities.

Israel and the U.S. have developed the Arrow anti-ballistic missile system, one of the few systems capable of intercepting and destroying missiles at high altitudes. Its development followed the 1991 Gulf War, when Iraq fired 39 Scud missiles that struck Israel.

The Arrow was developed by Israel Aircraft Industries and Boeing Co. at a cost of more than \$1 billion.

The Shihab is Iran's longest-range ballistic missile. The country launched an arms development program during its 1980-88 war with Iraq to compensate for a U.S. weapons embargo.

Shihab is the Persian word for meteor. Based on the North Korean Nodong-1 and modified with Russian technology, the Shihab-3 was first deployed to Iran's Revolutionary Guard in July 2003.

### Associated Press

#### **Iran Insists on Right to Enrich Uranium**

by William J. Kole – 20 October 2004

VIENNA, Austria - Giving Iran one last chance to avoid the threat of U.N. sanctions, Britain, France and Germany will offer nuclear fuel and economic incentives at a meeting Thursday in return for assurances the Tehran regime will suspend uranium enrichment, diplomats said.

The offer came as Iran announced Wednesday it has a compromise proposal to end the standoff over its nuclear program. But Iran insisted anew on its right to enrich uranium, which the United States contends is part of a covert attempt to build an atomic weapon.

Iran's vow to continue the practice in a program it insists is geared purely toward generating electricity threatened to deal a setback to the European negotiators, who had hoped the incentives would get it to stop. Iranian Vice President Gholamreza Aghazadeh did not give details of the compromise, saying in Tehran only that it would not compromise what it considers its right to enrich uranium and had been submitted to the Europeans "for their reaction."

"We expect that our legitimate rights be recognized and that Iran not be deprived of nuclear technology," President Mohammad Khatami told reporters Wednesday in Tehran. "The main problem is that they say, 'You should ignore your rights,' and that we would never do."

In a private meeting with Iranian officials in Vienna, senior British, French and German officials planned to try to persuade Iran on Thursday to avoid a showdown next month with the International Atomic Energy Agency, the diplomats said on condition of anonymity.

The incentives being offered to Iran included the possibility of buying nuclear fuel from the West, along with the promise of lucrative trade, the officials said. They did not confirm reports that a light-water nuclear research reactor was part of the package.

"We will have to see the offer. We have not seen anything yet," an Iranian official told The Associated Press. "And then we will have to take it to our capital. We really have to wait and see."

On Nov. 25, the Vienna-based IAEA's 35-nation board of governors will deliver a fresh assessment of Iran's cooperation — or lack of it — with the nuclear watchdog agency. The United States is pressing to report Iran's noncompliance to the U.N. Security Council, which has the power to impose sanctions.

The foreign ministers of Britain and Germany this week urged Iran to indefinitely suspend its nuclear program. Iran has resumed testing, assembling and making centrifuges used to enrich uranium, heightening U.S. concerns that its sole purpose is to build a bomb.

But the three European powers are holding out hope that a diplomatic confrontation — and the looming threat of punishing sanctions — can be avoided if Tehran agrees to give up enriching uranium in exchange for peaceful nuclear technology.

If Iran does not accept the incentives, suspend enrichment and agree to IAEA verification that it has done so, the three likely would back the U.S. push to report Tehran's defiance to the Security Council, the diplomats said.

IAEA spokeswoman Melissa Fleming said the nuclear agency was not directly involved in the talks, but that agency chief Mohamed ElBaradei "absolutely" welcomed the initiative.

"Mr. ElBaradei has been calling on the Iranians to fully suspend" uranium enrichment, Fleming said. "He's been supporting dialogue as a way forward in Iran, coupled with a continuation of an intensive inspection process. Any constructive dialogue is welcomed."

A Western diplomat familiar with the IAEA's dealings with Iran called the possible promise of a light-water nuclear reactor particularly intriguing, saying it was the first time that something so specific and potentially appealing to the Iranians was on offer.

Experts say Iran has been building a heavy-water reactor, which would use plutonium that also could be used in a nuclear weapon. A light-water research reactor, by contrast, uses a lower grade of plutonium.

Aghazadeh made it clear Wednesday that Iran would not forfeit its right to enrich uranium to generate power. Enrichment also can be used to produce atomic weapons.

"We have some very important principles. These principles can't be altered. Nuclear technology has become a local technology now," he said.

Khatami said his government was prepared to negotiate ways of assuring the world that Iran's nuclear program would not be used to make nuclear bombs.

"We don't want anything against the law," Khatami said, pledging to cooperate with the IAEA and "assure that our activities won't be diverted toward weapons."

## Lebanon Wire

### **A Bush pre-election strike on Iran 'imminent'**

White House insider report "October Surprise" imminent  
by Wayne Madsen – 20 October 2004

According to White House and Washington Beltway insiders, the Bush administration, worried that it could lose the presidential election to Senator John F. Kerry, has initiated plans to launch a military strike on Iran's top Islamic leadership, its nuclear reactor at Bushehr on the Persian Gulf, and key nuclear targets throughout the country, including the main underground research site at Natanz in central Iran and another in Isfahan. Targets of the planned U.S. attack reportedly include mosques in Tehran, Qom, and Isfahan known by the U.S. to headquarter Iran's top mullahs.

The Iran attack plan was reportedly drawn up after internal polling indicated that if the Bush administration launched a so-called anti-terrorist attack on Iran some two weeks before the election, Bush would be assured of a landslide win against Kerry. Reports of a pre-emptive strike on Iran come amid concerns by a number of political observers that the Bush administration would concoct an "October Surprise" to influence the outcome of the presidential election.

According to White House sources, the USS John F. Kennedy was deployed to the Arabian Sea to coordinate the attack on Iran. Defense Secretary Donald Rumsfeld discussed the Kennedy's role in the planned attack on Iran when he visited the ship in the Arabian Sea on October 9. Rumsfeld and defense ministers of U.S. coalition partners, including those of Albania, Azerbaijan, Bahrain, Bulgaria, Czech Republic, Denmark, Estonia, Georgia, Hungary, Iraq, Latvia, Lithuania, Macedonia, Mongolia, Poland, Qatar, Romania, and Ukraine briefly discussed a very "top level" view of potential dual-track military operations in Iran and Iraq in a special "war room" set up on board the aircraft carrier. America's primary ally in Iraq, the United Kingdom, did not attend the planning session because it reportedly disagrees with a military strike on Iran. London also suspects the U.S. wants to move British troops from Basra in southern Iraq to the Baghdad area to help put down an expected surge in Sh'ia violence in Sadr City and other Sh'ia areas in central Iraq when the U.S. attacks Iran as well as clear the way for a U.S. military strike across the Iraqi-Iranian border aimed at securing the huge Iranian oil installations in Abadan. U.S. allies South Korea, Australia, Kuwait, Jordan, Italy, Netherlands, and Japan were also left out of the USS John F. Kennedy planning discussions because of their reported opposition to any strike on Iran.

In addition, Israel has been supplied by the United States with 500 "bunker buster" bombs. According to White House sources, the Israeli Air Force will attack Iran's nuclear facility at Bushehr with the U.S. bunker busters. The joint U.S.-Israeli pre-emptive military move against Iran reportedly was crafted by the same neo-conservative grouping in the Pentagon and Vice President Dick Cheney's office that engineered the invasion of Iraq.

Morale aboard the USS John F. Kennedy is at an all-time low, something that must be attributable to the knowledge that the ship will be involved in an extension of U.S. military actions in the Persian Gulf region. The Commanding Officer of an F-14 Tomcat squadron was relieved of command for a reported shore leave "indiscretion" in Dubai and two months ago the Kennedy's commanding officer was relieved for cause.

The White House leak about the planned attack on Iran was hastened by concerns that Russian technicians present at Bushehr could be killed in an attack, thus resulting in a wider nuclear confrontation between Washington and Moscow. International Atomic Energy Agency representatives are also present at the Bushehr facility. In addition, an immediate Iranian Shahab ballistic missile attack against Israel would also further destabilize the Middle East. The White House leaks about the pre-emptive strike may have been prompted by warnings from the CIA and the Defense Intelligence Agency that an attack on Iran will escalate out of control. Intelligence circles report that both intelligence agencies are in open revolt against the Bush White House.

White House sources also claimed they are "terrified" that Bush wants to start a dangerous war with Iran prior to the election and fear that such a move will trigger dire consequences for the entire world.

\* Wayne Madsen is a Washington, DC-based investigative journalist and columnist. He served in the National Security Council (NSA) during the Reagan Administration

## Guardian

### **Tehran shows defiance on eve of crucial nuclear arms talks by test-firing missile**

by Ewen MacAskill – 21 October 2004

The Iranian government carried out a missile test yesterday, 24 hours before a make-or-break meeting with Britain, France and Germany on its suspected nuclear weapons programme.

The test may have been intended as a warning to the US, Israel and the Europeans on the eve of the meeting in Vienna with the European troika.

Tehran has threatened to retaliate if either the US or Israel launches a pre-emptive strike on its nuclear facilities.

Yesterday it said it had tested the Shahab-3 ballistic missile, which is estimated to be capable of reaching Israel.

The defence minister, Ali Shamkhani, told Reuters after the weekly cabinet meeting: "Iran test-fired a more accurate version of the Shahab-3 in the presence of observers."

The Shahab (meteor) has a range of about 807-932 miles but, until now, it has been regarded as wildly inaccurate, unable to hit military targets but capable of hitting civilian populations.

A Foreign Office source described today's meeting as a "last chance" for Tehran. The US, Israel and Europe are convinced that it is intent on securing a nuclear weapon. Iran denies this, claiming it is only pursuing a civilian nuclear programme.

The European trio will offer help with the civilian programme in return for Iran suspending a nuclear enrichment programme alleged to give it the ability to make nuclear weapons by 2006 or 2007. The Europeans expect a formal response from Iran in about a week.

Its failure to do so will almost certainly cause an international crisis. The board of the International Atomic Energy Agency, the UN nuclear watchdog, is likely to refer the issue to the UN security council when it meets in Vienna on November 25. The council could then impose sanctions.

Tehran combined its missile test with a softer approach by President Ayatollah Mohammad Khatami, who said: "We are ready to assure the world that we are not pursuing nuclear weapons and I believe the only way is through talks and reaching an understanding. I don't know what the [EU trio's] proposal is, but we are ready for talks.

"But at the same time we are expecting that they do not force us to abandon peaceful nuclear technology under the full supervision of the International Atomic Energy Agency."

The Europeans are pessimistic about the chance of Iran agreeing to the package. The meeting is, in part, intended to allow the three to say that they have explored all possible options.

The news agency Agence France-Presse reported yesterday that it had obtained a copy of the three countries' package of incentives.

The document said: "We would support the acquisition by Iran of a light water research reactor." It added that there was only "a short period of time [left] to secure a comprehensive and acceptable understanding from Iran".

The three would also "be ready to resume negotiations on an EU/Iran trade and co-operation agreement" and back Russia's building of a nuclear reactor for Iran in Bushehr. The Europeans secured a deal with Iran in October last year but say that Tehran has reneged on it.

## BBC News

### **Iran hears final EU nuclear offer**

21 October 2004

European states are offering Iran a final chance to provide assurances that its nuclear energy programme is not aimed at acquiring weapons.

France, the UK and Germany are in closed-door talks in Vienna with Iran, a month before the UN rules on whether or not the country is co-operating.

Iran has said it will reveal its own proposals to reduce concern once it sees the European offer in writing.

It has insisted it will not agree to demands to abandon uranium enrichment.

Abandonment of enrichment - a key process for the production of atomic bombs - is a central demand on the European side.

The United States has led international concern over Iran's intentions, questioning why a country rich in oil and gas deposits would require nuclear energy too.

The BBC's Kerry Skyring in Vienna says the UN nuclear watchdog, the International Atomic Energy Agency (IAEA), although not involved in the talks, has welcomed the European initiative.

But diplomats familiar with the Iranian position say it is unlikely there will be an immediate response from Tehran and negotiations may drag on for some time, our correspondent says.

Iran test-fired a long-range missile on Wednesday in what appears to have been a deliberately timed show of military strength a day before the talks in Vienna, the BBC's Frances Harrison reports from Tehran.

### **Reactor offer**

Foreign ministry officials from the three European countries are meeting an Iranian envoy at a secret location in Vienna to avoid media attention.

The Austrian capital is home to the IAEA, due to rule on 25 November on the level of Iran's co-operation.

A negative decision could lead to the issue being referred to the UN Security Council with the threat of sanctions.

According to a document leaked to news agencies, incentives likely to be offered on Thursday include an offer of nuclear technology such as a light-water reactor in return for proof that Tehran is not covertly trying to build weapons.

The US state department has queried the wisdom of offering Iran - which largely relies on Russia for its programme - further new technology.

Speaking to reporters, spokesman Richard Boucher remarked:

"We don't see the economic or any other rationale for a country like Iran to try to generate power with nuclear energy, given that... they flare off way more gas every year than they could get energy from nuclear power plants of the kind that they're talking about."

### **Pre-condition**

Iran's top delegate to the IAEA, Hossein Mousavian, said on Wednesday the Vienna negotiations would fail if Iran was not allowed to keep control of the entire nuclear cycle.

"If the demand is going to be that Iran give up the nuclear fuel cycle, one should not pin any hope on the talks," he said.

It is not clear what Iran's counter-proposals to resolve the international tensions might be, our Tehran correspondent says.

Iranian President Mohamed Khatami has been saying his country will render any kind of co-operation to prove to the outside world it is not moving towards a weapons programme.

But he said his country's "legitimate rights... to nuclear technology" had to be respected.

### **Missile test**

Iran test-fired an improved version of the Shahab-3 ballistic missile on Wednesday.

The weapon, which Iran says has an increased range of 2,000km (1,250 miles), was tested in front of observers, said Defence Minister Ali Shamkhani.

The missile is thought to be able to carry a nuclear warhead and its increased range would put Israel within its sights, our correspondent notes.

Defence experts say it is normal to refine a missile's range and accuracy with several firings. The last reported test was during military exercises in August.

## Los Angeles Times

### **Iran Moving Methodically Toward Nuclear Capability**

by Douglas Frantz – 21 October 2004

VIENNA — Iran has made steady progress toward producing nuclear fuel and could make significant quantities of enriched uranium in less than a year, according to new estimates by diplomats, scientists and intelligence officials.

Mastering enrichment will move Tehran a big step closer to being able to build an atomic bomb. Iran's progress already has intensified its confrontation with the United States and other countries that fear it is trying to develop nuclear weapons.

Despite persistent suspicions, however, a report due next month by the U.N. nuclear watchdog agency is not expected to provide proof that Tehran has a weapons program, diplomats said.

Nearly two years of inspections have uncovered a pattern of concealment and deception by Iran over two decades. But when it comes to whether Iran is secretly pursuing an atomic bomb, the case remains circumstantial.

Iran insists that its goal is to generate electricity. Its leaders have so far rejected demands by the U.N.'s International Atomic Energy Agency, the U.S. and European countries that they freeze enrichment activities.

A showdown appears to be approaching. The U.S. and its allies, arguing that the threat is imminent, want the U.N. Security Council to impose sanctions on Iran for violating the Nuclear Nonproliferation Treaty, which limits the spread of nuclear technology to peaceful purposes.

But since the United States failed to prove its claims about the existence of weapons of mass destruction in Iraq, other countries want more time for a fuller evaluation of Iran's enrichment capabilities and intentions.

At the center of the dispute is the enrichment process itself, which converts uranium ore into fissionable material, the most elusive component of a nuclear weapon. The same basic process produces low-level enriched uranium for civilian reactors or, with technical adjustments, highly enriched uranium for bombs.

This month, Iran said it was gearing up to produce large amounts of gaseous uranium, which is used in enrichment. The gas, known as uranium hexafluoride, can be fed into slender centrifuges, which spin at high speed to transform the gas into enriched uranium.

Iran has moved much faster than expected in manufacturing and assembling these centrifuges, diplomats said. The rapid progress means a pilot centrifuge plant near Natanz, in central Iran, could soon be equipped with enough machines to begin large-scale enrichment.

Two senior European diplomats said the pilot plant could be expanded from the existing 164 centrifuges to 1,000 within weeks and produce enough material in less than a year to fashion a crude nuclear device.

"They need to install more centrifuges and do preparatory work, and they could be in production in shorter than a year," said one diplomat, who, like most of the people interviewed for this article, spoke on the condition that his name and position be withheld.

For now, the International Atomic Energy Agency is monitoring the gas-production plant at Esfahan, also in central Iran, and preparations at the pilot plant. The pilot operation is part of a complex where an underground enrichment facility for as many as 50,000 centrifuges is under construction.

Western intelligence officials said the big fear is that once the two plants are operating, Iran will shift enrichment operations to hidden installations or follow North Korea's example and kick out the IAEA, allowing Tehran to begin enriching uranium to weapons grade at Natanz.

Uranium enrichment is relatively portable. Experts say 1,000 centrifuges could operate in a small building with little chance of detection by even the most sophisticated sensors or satellites.

There is no evidence that a hidden plant exists, and only hints about weapons research. But even officials who give Iran the benefit of the doubt say Tehran has been caught in so many lies that verifying the absence of a weapons program would take months, if not years, and might be impossible.

"When people have looked you literally in the eye across the table and told you this is black and it turns out to be white, your confidence in them is damaged," said a third senior European diplomat.

Mohamed ElBaradei, the IAEA director-general, has praised Iran's cooperation often enough to evoke U.S. anger, but he also has acknowledged that Iran's actions have created a "deficit of confidence." As before the Iraq war, ElBaradei wants more time to complete inspections before sending the matter to the Security Council.

But the U.S. and allies such as Canada and Australia say time has run out. They argue that the threshold for action is not the discovery of a secret plant or a weapons design. Instead, they say, Iran must be stopped before it begins to enrich uranium.

President Bush says a nuclear-armed Iran would be unacceptable, and Israel's defense minister warned last month that his country would consider "all options" to stop Tehran.

Military strikes against nuclear installations in Iran would be difficult; they could provoke retaliation and would certainly result in international condemnation. But Israeli officials argue that the backlash would be less painful than allowing Iran to obtain nuclear weapons.

Six months after an exile group's August 2002 disclosure that Iran was building an enrichment plant at Natanz and a second nuclear installation, the IAEA began trying to decipher the full scope of Iran's atomic activities.

Inspectors have examined research centers and workshops across the country, interviewed hundreds of scientists and pored over thousands of pages of documents dating to the mid-1980s, when Iran began secretly buying nuclear technology.

At every step, Iran concealed crucial aspects of its program. Iranian authorities twice denied inspectors access to suspect locations while incriminating material and equipment was hauled away. Each time, the inspectors said they still found evidence of nuclear experiments.

"The world at large knew nothing about Iran's nuclear plans two years ago and everything since then has been pried out of them," a U.S. diplomat said.

Under pressure from Washington, the IAEA board last month told the agency's staff to conduct another round of inspections and prepare a comprehensive summary of findings.

The board also ordered Iran to stop its enrichment program. Tehran voluntarily curtailed enrichment in a deal made a year ago with Britain, France and Germany, but it resumed the work this year.

The IAEA summary report will be circulated two weeks before representatives of the 35 member nations on the board meet Nov. 25 in Vienna. The expected conclusion that there is no proof of a weapons program and no new evidence of concealment is unlikely to stop the United States from demanding a vote to refer the issue to the Security Council.

Iran escaped previous U.S. pushes for tough action. That's unlikely this time, diplomats say, unless Iran again halts enrichment — and even that is no guarantee it can avoid referral.

Diplomats familiar with the U.S. strategy said U.N. sanctions would be the first step in an effort to force Tehran to abandon enrichment efforts. Harsher steps eventually could include military action.

But other diplomats said Russia, China and other governments were reluctant to endorse sanctions, worrying that they might be the first step leading to an attack on Iran.

Tehran's best chance of avoiding being hauled before the Security Council appears to be accepting a new European offer of a package of incentives that would include guaranteeing Iran access to civilian nuclear technology and fuel for a nearly complete reactor in exchange for the country mothballing its enrichment efforts.

Tehran has not responded formally to the proposal, which is to be presented to its representatives today in Vienna. Western diplomats expect some concession before the Nov. 25 meeting.

Foreign Minister Kamal Kharrazi said in an interview last month that Tehran was willing to consider "any kind of verification mechanism ... to make sure there is no secret program." He said the goal of any agreement with the Europeans would be to prevent the issue from going to the Security Council.

Iran's conservatives, who have solidified control of the government since the first agreement with the Europeans, appear divided over whether to strike another bargain.

Defiant hard-liners want to withdraw from the Nuclear Nonproliferation Treaty and go ahead with enrichment. Proposed legislation would require Iran to pull out of the accord and halt IAEA inspections.

"Countries are seriously concerned about Iran withdrawing from the treaty," a Western diplomat said. "That's the second-worst scenario — getting the bomb being the worst."

IAEA chief ElBaradei warned that Iran's withdrawal could prompt other countries to follow, severely damaging the primary means of controlling the spread of nuclear weapons.

More moderate voices in Iran argue that the country should remain in the treaty and try to avoid sanctions by accepting the European deal.

An Iranian official in Vienna said Tehran was unlikely to sign off on any agreement until after the U.S. presidential election, to avoid boosting Bush's campaign.

Sen. John F. Kerry, the Democratic challenger, has suggested that the U.S. should back a deal to provide Iran with nuclear fuel, something the Bush administration has so far refused to support.

Diplomats speculated that if Kerry won, the IAEA board might delay action against Iran until his administration took office.

Despite the absence of clear evidence, U.S. accusations against Iran have gained wide acceptance in recent months.

The main reason is that the suspicions do not rest as heavily on U.S. intelligence as they did in the case of Iraq's alleged nuclear program. International concerns about Iran are rooted in information uncovered by IAEA inspectors and described in six detailed reports.

"Evidence gathered by the IAEA makes a circumstantial case that is much stronger than the case that Iraq was restarting its nuclear program," said George Perkovich, a proliferation expert at the Carnegie Endowment for International Peace in Washington. "The only thing missing in Iran is a weapons design."

Barring a last-minute surprise, insiders said, inspectors have no concrete evidence of a weapons program or new instances of concealment. Still, the report is expected to conclude that too many big mysteries remain for inspectors to give Iran a clean bill of health.

"There are many reasons for worrying about Iran's intentions, but you have to be careful jumping to saying there is a weapons program or not," one of the European diplomats said.

The most pressing concern is identifying the origins of small amounts of weapons-grade uranium and low-enriched uranium found at four locations during the last 18 months.

Iran says the material came from contaminated centrifuge components bought on the black market. Abdul Qadeer Khan, a Pakistani scientist who helped develop his country's nuclear weapons, has confessed to selling components to Iran, Libya and North Korea.

In its September report, the IAEA said it was plausible that some of the enriched uranium came from Pakistani parts. But some concentrations were larger than simple contamination could explain, and not all of it was necessarily from Pakistan, the agency said.

Despite the high priority, inspectors have made no progress in answering the question because Pakistan refuses to cooperate fully, several diplomats familiar with the inquiry said.

Pakistan provided some data and said pointedly that not all of the enriched uranium came from its program, but diplomats said the Pakistanis had not allowed inspectors inside their nuclear plants to take samples.

The IAEA wants its own samples so independent laboratories can determine conclusively whether the material found in Iran matches enriched uranium produced by Pakistan.

ElBaradei said in late September that Pakistan had refused to let the agency question Khan. U.S. authorities also have been unable to interview the scientist. A Western diplomat complained that the Bush administration was not pressuring Pakistan to allow the IAEA to take samples or interview Khan.

The failure to trace the contamination leaves open the possibility that Iran produced weapons-grade uranium at a secret plant or bought it from an unknown supplier, diplomats said.

"Most of the traces are from Pakistan, but if some of it is not, then it is a serious issue that raises the possibility that Iran produced it," one of the European diplomats said.

Another issue is how much work Iran did on advanced centrifuge machines, known as P-2s.

In October 2003, Iran submitted a multivolume document to the IAEA that it said represented the complete history of its nuclear activities. But it began to unravel three months later.

When Libya decided to give up its clandestine nuclear weapons effort, it turned over information and technology to the IAEA and the U.S. It became clear that, like Iran, Libya had bought nuclear technology from Khan's network.

Comparing Libya's shopping list with what Iran had reported, IAEA inspectors were puzzled that the Libyans had managed to buy designs for Pakistan's P-2 centrifuges. The P-2 was far more efficient than the older P-1, which was what Iran had bought on the black market.

Inspectors had independent suspicions that Iran had been experimenting with another type of centrifuge. When confronted, Iran acknowledged that it had bought a complete set of P-2 designs in 1995.

Iranian officials explained that the P-2s had been left out of the October report because nobody asked about them and because the scientists were concentrating on the P-1.

The P-2 drawings were set aside for seven years and the only work involving them was a contract in 2002 for a small private business to conduct limited experiments, Iran said.

But when inspectors visited the business in Tehran, they found that the contractor had made a modification to the P-2 rotors that indicated extensive research had been done. They also found that he had ties to the military through other contracts.

"The modification didn't come out of thin air," a Western scientist said. "There was concern that work might have been conducted at some unknown place."

So far, the IAEA has neither a good answer from Iran about how much work it did on the P-2 nor any evidence of a P-2 plant.

Centrifuges are half the enrichment equation. The machines need uranium hexafluoride gas to manufacture enriched uranium.

Iran said it planned to transform 37 metric tons of yellowcake, a form of processed uranium ore, into uranium hexafluoride at the Esfahan plant this month.

David Albright, a physicist and former IAEA inspector who runs a think tank in Washington, said 37 tons was enough to make several nuclear weapons.

Iran turned out a small amount of uranium hexafluoride at the plant last spring, but a diplomat familiar with the current operations at Esfahan said it had not yet produced a larger batch.

Some Western officials have speculated that Iran is having technical trouble. But the diplomat said that the plant appeared ready to roll, and that he thought Iran had decided it was politically unwise to produce more uranium hexafluoride now.

Estimates vary on when the pilot plant at Natanz could start turning the gas into enriched uranium. The newest information indicates that Iran has moved much faster than anticipated.

One of the senior European diplomats said the pilot plant could begin operating on a small scale within weeks. In less than a year, he said, it could produce substantial quantities of low-enriched uranium.

"It would take a month to start to spit out enriched uranium, and the serious business would come about a year from now," he said.

Once centrifuges are operating smoothly, increasing the enrichment level to bomb-grade material is straightforward. However, it would require ending IAEA monitoring or carrying out enrichment secretly at another location.

What remains unclear is whether Iran has conducted research and tests to build a nuclear weapon.

It began work on nuclear power in the mid-1970s under the shah. The program was abandoned after the Islamic Revolution in 1979, when Western governments imposed sanctions on the new regime.

Iran acknowledged last year that it had restarted the program in 1985. Officials said technology was bought secretly through front groups because of the sanctions.

Iran was in the middle of an eight-year war with Saddam Hussein, seemingly an odd time to devote scarce resources to an expensive program for generating electricity in a country with vast reserves of oil and natural gas.

Since the nuclear program was discovered, Iran's secret purchases, particularly of technology with both civilian and military applications, have received more scrutiny. The items it recently tried to buy included high-speed switches that could trigger a nuclear weapon and specialized cameras that could test a nuclear explosion.

Some older purchases also attracted new attention. Among them were attempts in the early 1990s to buy weapons-related nuclear technology for a physics research center, a diplomat involved in the review said.

The IAEA was monitoring the research center at Lavizan Shiyan on the outskirts of Tehran in November when U.S. spy satellites picked up heavy equipment beginning to demolish the complex. As buildings were knocked down, all the large chunks of rubble and tons of earth were hauled away.

Asked about the demolition, Iran told the IAEA the center had been built by the military in 1989 to evaluate and treat casualties in the event of a nuclear attack on Tehran. Authorities said it was being leveled to make way for a park.

Iranian authorities allowed inspectors to visit the now-barren site at the end of June but refused to give them access to the material taken away or a list of equipment used at the center, citing security concerns.



The report next month will say that environmental samples turned up no evidence of radioactive material, but diplomats said enough concerns remained that Lavizan Shiyan would not be scratched off the list of suspect sites.

IAEA inspectors are monitoring several other sites where weapons work might have occurred, diplomats said.

One is a military complex containing hundreds of buildings and bunkers at Parchin, about 20 miles southeast of Tehran. The IAEA had been trying to get permission to inspect it for several weeks when ABC News broadcast satellite images of Parchin in September along with U.S. accusations that it was a test site for nuclear weapons.

Tehran denied that nuclear weapons research was underway there and invited the IAEA to visit the site.

Iran wants only an informal visit, arguing that the location does not fall within IAEA jurisdiction because there are no nuclear activities there. The IAEA won't go unless Iran allows a full inspection, which would give inspectors the right to examine any part of the complex and take environmental samples to test for nuclear activity.

Despite the absence of hard evidence, U.S. officials say they remain convinced that Iran is pursuing nuclear weapons.

Estimates differ on when Tehran might be able to produce a bomb. U.S. intelligence reports say it will take at least three more years. A leaked Israeli analysis predicts Iran could have an atomic weapon by 2007.

"The truth is that nobody knows for sure," said a Western intelligence official who monitors Iran. "But this is getting close to the end game."

## Los Angeles Times

### **Israel May Have Iran in Its Sights**

by Laura King – 22 October 2004

JERUSALEM — Increasingly concerned about Iran's nuclear program, Israel is weighing its options and has not ruled out a military strike to prevent the Islamic Republic from gaining the capability to build atomic weapons, according to policymakers, military officials, analysts and diplomats.

Israel would much prefer a diplomatic agreement to shut down Iran's uranium enrichment program, but if it concluded that Tehran was approaching a "point of no return," it would not be deterred by the difficulty of a military operation, the prospect of retaliation or the international reaction, officials and analysts said.

Prime Minister Ariel Sharon and his top aides have been asserting for months that a nuclear-armed Iran would pose a clear threat to Israel's existence. They have repeatedly threatened, in elliptical but unmistakable terms, to use force if diplomacy and the threat of sanctions fail.

Defense Minister Shaul Mofaz told the Yediot Aharonot newspaper last month that "all options" were being weighed to prevent Iran from achieving nuclear weapons capability. The army chief of staff, Moshe Yaalon, declared: "We will not rely on others."

Iran presents "a combination of factors that rise to the highest level of Israeli threat perception," said analyst Gerald Steinberg of the Begin-Sadat Center for Strategic Studies.

"Nuclear weapons in a country with a fundamentalist regime, a government with which we have no diplomatic contact, a known sponsor of terrorist groups like Hezbollah and which wants to wipe Israel off the map — that makes stable deterrence extremely difficult, if not impossible," Steinberg said.

Israel's concerns are magnified by the fact that Iran already possesses the medium-range Shahab-3 missile, which is capable of reaching Israel with either a conventional or non-conventional warhead. Iran said this week that it had test-fired an upgraded, more accurate version of the missile.

Preemptive strikes have always been an essential element of Israel's military doctrine. Perhaps the most pertinent example is the air raid that destroyed Saddam Hussein's Osirak nuclear reactor in June 1981.

Experts are divided, however, on whether that precedent should be viewed as a window into Israel's thinking on Iran.

"The comparison to 1981 is of the utmost relevance because the decision-making is based on the same factors," said army reserve Col. Danny Shoham, a former military intelligence officer who is now a researcher at Bar-Ilan University. "Those are: What is the reliability of the intelligence picture? What would be the response of the opponent? What is the point of no return in terms of nuclear development, and what would be the international response?"

But he and others also noted key differences that could weigh against a military strike. Iran's nuclear development sites are widely scattered, in many cases hidden underground and heavily fortified, so Israel would have far less opportunity to deal the Iranian program a single devastating blow.

"It would be a complicated operation. In order to undermine or disrupt the Iranian nuclear program, you would have to strike at least three or four sites," said Ephraim Kam, the deputy head of the Jaffee Center for Strategic Studies at Tel Aviv University.

"Otherwise the damage would be too limited, and it would not postpone the program by more than a year or two, and this could in the end be worse than doing nothing."

Few believe, however, that logistical challenges alone would hold back the Jewish state if it determined that a strike was necessary.

To reach Hussein's nuclear reactor in 1981, Israeli warplanes were over hostile territory for most of their 90-minute, 680-mile flight. All the while, they held to a tightly clustered formation that resembled the radar signature of a commercial jet. When the Israelis reached their target, they destroyed the Iraqi reactor in less than a minute and a half.

The raid, which was preceded by months of rehearsals using mock-ups of the targeted reactor, is still regarded in military and aviation circles as a model of planning, operational discipline and innovation — qualities that analysts familiar with Israel's military capabilities say could be drawn upon again.

"I wouldn't want to speculate about exactly how the present-day objective might be achieved, but I will say this: The Israeli air force is extremely, extremely creative in its problem-solving approach," said Dan Schueftan, a senior fellow at the National Security Studies Center at Haifa University and the Jerusalem-based Shalem Center.

In its arsenal, Israel has the first of more than 100 sophisticated, American-built F-16I warplanes, which come with extra fuel tanks to increase their range. It also has signed a deal with Washington to acquire 500 "bunker buster" bombs that can blast through more than six feet of concrete — the kind of fortification that might be associated with Iranian nuclear sites.

In 1981, Sharon was a Cabinet minister and among the circle of confidants around then-Prime Minister Menachem Begin who took part in deliberations over the Osirak attack. Sharon later called it "perhaps the most difficult decision" ever faced by an Israeli government.

Some of the language being used by Israeli officials now is reminiscent of statements leading up to the strike on the Iraqi reactor. Military historians recount that Rafael Eitan, then army chief of staff, dispatched the corps of elite fighter pilots on its mission with the grim words, "The alternative is our destruction."

At the time, Begin feared for the stability of his government and thought that if he did not act swiftly, he might lose the opportunity to act at all. Sharon, under heavy pressure from opponents of his initiative to relinquish settlements in the Gaza Strip, also faces the almost daily risk that his minority coalition will collapse.

Still, any action against Iran seems unlikely to take place before the end of the year.

Israeli analysts differ somewhat in their assessment of when Iran would be seen as irrevocably on the road to developing nuclear weapons.

Steinberg said the probable "red line" would be the ability to produce kilogram-level quantities of highly enriched, bomb-grade uranium. He and others said that could be anywhere from six months to three years away.

Israeli officials and diplomats say their preferred solution is diplomacy through the efforts of the International Atomic Energy Agency or sanctions imposed by the United Nations Security Council.

"We don't want to give the impression that this entire burden rests on Israel's shoulders," said lawmaker Yuval Steinitz, the head of Israel's parliamentary foreign affairs and defense committee.

But Israeli officials are also telegraphing that they do not consider the diplomatic process open-ended.

"There may be a few months when the international community can still act and place upon Iran the kind of pressure that would compel it to stop its program," said Avi Pazner, a veteran diplomat who serves as an advisor to Sharon. "But there's not much time — there's not much time."

Opinion polls suggest that although there is little appetite in Israel for a confrontation with Iran, a substantial minority of citizens thinks one could be on the horizon. In a recent poll commissioned by the Maariv newspaper, 54% said diplomatic efforts to contain Iran's nuclear program should continue, with 38% saying their country should consider a preemptive attack.

The idea of responding militarily to any perceived external threat tends to unite Israelis across the political spectrum. For example, Labor Party leader Shimon Peres has long been an advocate of a negotiated settlement with the Palestinians — but is also among those who strongly believe that a nuclear-armed Iran would pose an intolerable peril to Israel.

A complicating factor in the debate over Iran is Israel's own status as an undeclared nuclear power. Israeli officials insist that their country's presumed nuclear status enhances regional stability by serving as a deterrent but say Iran's possession of atomic weapons would almost certainly trigger an arms race with rival Muslim states.

"It would break the dam, so to speak, and spill over into the whole Middle East," said Uzi Arad, director of the Institute of Policy and Strategy at Herzliya's Interdisciplinary Center. "There would be tremendous danger arising from this."

Arad and others said that if Iran became a nuclear power, it would spur even relatively moderate countries such as Egypt and Saudi Arabia to achieve similar status and embolden more radical regimes — for example, pushing Moammar Kadafi's Libya to abandon its recent conciliatory stance toward international regulators.

A Western diplomat, speaking on condition of anonymity, said Israel was well aware that even if it acted alone against Iran, the United States, as its closest ally, would inevitably be seen as complicit. That would virtually guarantee an outburst of antagonism across the Muslim world that America could ill afford at a time of bitter feelings over the war in Iraq.

Still, George Perkovich, who studies nuclear proliferation issues at the Carnegie Endowment for International Peace in Washington, said it would be "hard to imagine a strong negative American reaction" to an Israeli strike if diplomatic efforts failed.

Another U.S. analyst said that Iran's program was further along and more dispersed than Iraq's was in 1981. "The comparisons between Osirak and the situation in Iran today are simply wrong," said Anthony H. Cordesman, a military expert at the Center for Strategic and International Studies in Washington.

He said Israel's attack slowed, but did not terminate, Iraq's effort to develop nuclear weapons and probably encouraged Hussein to try to develop biological and chemical arms.

Israel's military establishment regards the United States, with its large concentration of troops in the region and its long-range air power, as far better equipped than Israel to mount a strike against Iran or to provide assistance and support for one.

"If it comes to a military move, it should be in concert," said analyst Kam of the Jaffee Center. "Israel isn't the only country that's affected. And it's not for a local power like Israel to act — it's a question for a superpower."

#### Khaleej Times

### **US on the “march” to refer Iran to UN Security Council: Powell**

23 October 2004

TOKYO - The United States has seen no sign Iran will comply with international demands on its suspect nuclear program and will push next month for the matter to be sent to the UN Security Council unless Tehran reverses its course, US Secretary of State Colin Powell said Saturday.

Powell said Washington believed it could get support from the International Atomic Energy Agency to refer Iran to the Security Council in the event it fails to comply with its IAEA obligations and commitments to European nations.

The IAEA's governing board last met in September and called on Iran by its November 25 meeting to halt uranium enrichment activities that could be used to produce nuclear weapons and disprove fully US accusations that it is secretly developing such arms.

"I think everybody left the September meeting believing that if there was not a significant response, and a very clear significant response that met all of the IAEA requirements and was totally consistent with the agreement they had with the EU, that there should be a referral in November," Powell said.

"We're approaching November and it is our position that we should continue to march toward action by the IAEA ... that would refer it to the Security Council if there is no complete satisfaction on the part of the Iranians toward the international obligations and commitments that they have made," he said.

Powell made the comments to reporters aboard his plane en route to Japan, the first leg of a three-nation Asian tour during which another nuclear dilemma -- North Korea's atomic weapons programs -- will be the chief focus.

He said the United States was looking forward to hearing Iran's formal response to a proposal from Europe's three key states for it to avoid possible UN sanctions and receive nuclear technology by indefinitely suspending uranium enrichment.

The United States has frowned on the incentives offered by Britain, France and Germany but made no move to stop the offer from being made and Powell held out little hope that Tehran would respond positively.

Earlier Saturday, a senior Iranian lawmaker branded the European conditions unacceptable and in violation of Iran's right to develop nuclear technology for peaceful purposes. Tehran insists that its program is to produce energy and vehemently denies the US allegations.

The European trio had in October 2003 struck a deal with Iran to suspend uranium enrichment, against promises of getting technology transfers.

But the deal has soured with the Europeans calling for Iran to halt all enrichment activities, including making centrifuges and the feed gas for the centrifuges which refine the uranium, and Iran saying such support activities were not included in the agreement.

## BBC News

### **Nuclear offer fails to sway Iran**

24 October 2004

Iran has described as "unbalanced" a European offer of trade concessions and nuclear technology in return for the suspension of uranium enrichment.

But an Iranian spokesman said Tehran would continue to discuss the proposal made by Britain, France and Germany.

The UN's nuclear agency, the IAEA, has given Iran until the end of November to suspend its enrichment programme. Iran says the programme is purely for peaceful purposes, but the US accuses it of developing nuclear weapons. Enriched uranium can be used for weapons as well as fuel.

### **Difficult compromise**

"The European proposal is their preliminary proposition and is not definitive, but it is unbalanced," Foreign Ministry spokesman Hamid Reza Assefi said.

He said negotiations were continuing and would resume on Wednesday with Iran putting forward counterproposals.

Mr Assefi said the Europeans had not asked for a lasting and unlimited suspension of enrichment, but if they did it would be out of the question.

The BBC's Frances Harrison in Teheran says it is hard to see how a compromise can be reached without addressing the enrichment issue once and for all, but it may be a question of finding the right wording to allow Iranian negotiators to sell the deal to their own people.

The European proposal asks Iran to suspend its uranium enrichment activities in return for incentives and alternative nuclear technology such as a light-water reactor, according to leaked reports.

Closed-door talks between the three European countries and Iran, took place earlier this week in Vienna, in what an Iranian spokesman described as a good atmosphere.

European diplomats have said that if Iran rejects the deal, most EU countries would back US proposals for the UN Security Council to impose economic sanctions on Iran.

So far, two years of investigation by the IAEA have turned up no hard evidence of an Iranian weapons programme.

## ABC News

### **Iran Says Uranium Facility Almost Complete**

Iran Says Uranium Conversion Facility 70 Percent Complete Just Days After Offer From Europe

24 October 2004

A uranium conversion facility in Iran is nearing completion, a top official said Sunday, only days after European countries offered a deal in which Iran would reportedly have to give up all nuclear activities.

State-run radio quoted Mohammed Ghannadi, second in charge of the Atomic Energy Organization of Iran, as saying the Isfahan uranium conversion facility in central Iran was nearing completion.

"The Isfahan UCF facility is operational by 70 percent right now," Ghannadi told 21 lawmakers during a visit to the plant, which Iranian officials said was inaugurated in March.

Ghannadi was quoted as saying 21 of 24 workshops have been commissioned at the facility, which converts uranium powder called yellow cake into hexafluoride gas, a stage prior to enrichment. He did not elaborate.

In talks Thursday in Austria, envoys from Britain, France and Germany offered civilian nuclear technology and a trade deal to the Iranians reportedly in return for Iran permanently giving up all uranium enrichment activities technology that can be used to produce nuclear fuel or nuclear weapons.

"The proposal by the Europeans is unbalanced," Foreign Ministry Spokesman Hamid Reza Asefi told a news conference on Sunday. "However, the Europeans have chosen the correct path of dialogue."

Iran's nuclear program is now a matter of national pride, and is one of the few issues on which hard-liners and reformists agree. The conservative-dominated parliament is drawing up a bill requiring the government

to resume uranium enrichment, the only stage in the nuclear fuel cycle that Iran says it is not yet carrying out.

Britain, Germany and France have warned that most European countries will back Washington's call to refer Iran's nuclear dossier to the U.N. Security Council for possible economic sanctions if Iran doesn't give up all uranium enrichment activities by the Nov. 25 meeting of the International Atomic Energy Agency.

Iran, Asefi said, was still studying the European proposal.

"We think we have to reach a solution acceptable to both sides so that European concerns are eased and, at the same time, our rights under the Nuclear Nonproliferation Treaty are recognized and met," Asefi added.

The spokesman said Iran had its own proposals but refused to discuss details.

Detailed talks with the three key European powers would resume Wednesday, he said.

Asefi said Iran would not accept a permanent suspension of its nuclear activities, and maintained that the Europeans didn't want that either.

"The discussion is not about permanent suspension of enrichment. The Europeans have proposed indefinite suspension until an agreement is reached. They didn't call for a permanent suspension," he said.

Iran insists its nuclear activities are peaceful and geared solely toward generating electric power. The United States contends it is running a covert atomic weapons program.

Last month, the IAEA unanimously passed a resolution demanding Iran freeze all work on uranium enrichment and related activities, such as uranium reprocessing and the building of centrifuges used for enrichment. The U.N. nuclear watchdog is to judge Iran's compliance at the Nov. 25 meeting.

Iran already has defied the IAEA resolution by continuing to build centrifuges and by converting a few tons of raw uranium into hexafluoride gas, a stage before enrichment.

Iran has said the agency has no authority to ban it from enriching uranium, a right granted under the Nuclear Nonproliferation Treaty. However, while not prohibited from enrichment activities under that treaty, Iran faces growing international pressure to suspend them.

## Reuters

### **Iran Hints at Agreeing to Enrichment Freeze**

by Paul Hughes – 25 October 2004

TEHRAN (Reuters) - Iran's top security official on Monday suggested Tehran may agree to extend its freeze on uranium enrichment but warned it could not be forced to scrap its nuclear technology for good.

The EU's "Big Three" powers, Britain, France and Germany, have offered Iran a deal in which Tehran would indefinitely suspend nuclear fuel cycle activities in return for EU help with civilian nuclear technology and a resumption of trade talks.

The freeze on enrichment activities -- which can be used to make bomb-grade material -- must happen before the International Atomic Energy Agency on Nov. 25 or the EU would join Washington in seeking to send Iran's case to the U.N. Security Council.

Iranian officials Sunday rejected the EU proposal as unbalanced, but also said they wanted further negotiations.

But in a sign Tehran may agree to the original EU offer, Hassan Rohani, secretary-general of Iran's Supreme National Security Council, said an "indefinite" freeze did not mean the same thing as a "permanent" halt to enrichment.

"The Europeans say indefinite because Iran and Europe are supposed to hold negotiations for a long time," he told reporters after a meeting with parliament's National Security and Foreign Policy Commission

"We have always said that if Iran agrees to suspend uranium enrichment, to whatever extent, it will be voluntary because no country can force another to stop having peaceful and legal nuclear technology, not even for one hour," the official IRNA news agency quoted him as saying.

### **Iran reneged on previous freeze**

The United States accuses Tehran of trying to develop an atomic arsenal under the cover of a civilian nuclear program. Iran says it only wants to generate electricity.

Iran pledged last year to freeze all uranium enrichment activities, but resumed producing and assembling parts of enrichment centrifuges this year, much to the EU's annoyance.

Iranian and EU officials will meet in Vienna Wednesday when Iran is to present a counter-proposal.

"Iran will patiently prove to the world that its nuclear activities are for peaceful purposes," Rohani said.

"We want to have political, economic and cultural cooperation with the international community and we don't want them to worry about something that is not true."

Rohani, a mid-ranking cleric who has led Iran's negotiations with the EU since last year, said Tehran has as much right to develop nuclear technology as any other signatory of the nuclear Non-Proliferation Treaty. "Our red lines are clear and if anyone wants to cross them, we will not allow it," he said. "In other words, Iran has as much rights as a European country has under the NPT." Manouchehr Motaki, head of the parliamentary commission, said Iran would not bow to political pressure. "If Iran has to choose between being sent to the U.N. Security Council or having the right to use peaceful nuclear technology, we will not give up the right to have peaceful nuclear technology," the ISNA student news agency quoted him as saying.

New York Times

### **Iran Rejects Nuclear Plan as Imbalanced, Europe Is Told**

by Nazila Fathi – 25 October 2004

TEHRAN - Iran on Sunday rejected a proposal by Britain, Germany and France to suspend its uranium enrichment program and urged those countries to offer a "more balanced" proposal.

During a meeting on Thursday in Vienna, the three European countries asked Iran to give up its uranium enrichment program in return for a guarantee to help Iran build a light-water power reactor and to provide a supply of reactor fuel.

"The European proposal is their preliminary proposition and is not definitive, but it is unbalanced," said Iran's Foreign Ministry spokesman, Hamid Reza Assefi. "We need to reach a balanced agreement, one that would eliminate Europeans' worries, if there are any, and one that would recognize our rights within the nonproliferation treaty."

Mr. Assefi said Iran was negotiating with other countries over its nuclear program. "Each country has its role and power," he said. "We have not limited our negotiations to the three European countries, and we are and will be using diplomacy in the future with other countries."

But he said that negotiations with Britain, Germany and France would continue and that Iran would have its own counterproposal at its next meeting on Wednesday.

The International Atomic Energy Agency has told Iran that it must halt its uranium enrichment program before Nov. 25, when the agency would make a determination whether it is cooperating.

The United States says Iran is hiding a nuclear weapons plan and has urged the I.A.E.A., the United Nations' monitoring agency, to send the case to the Security Council, where Iran could face sanctions.

Enriched uranium can be used to make nuclear bombs as well as fuel for nuclear reactors. Iran says it plans to make only fuel.

Mr. Assefi said that the Europeans had not asked for a permanent suspension of enrichment, but that if they did, it would be out of question.

Hossein Moussavian, one of Iran's top negotiators, told state-run television on Sunday that the Europeans' offer was positive but that Iran could not give up its enrichment program.

"The Islamic Republic cannot rely on the fuel the Europeans are offering, because they might withdraw it any time there are differences in relations," he said.

San Jose Mercury News

### **Iran Weighs Incentives to Halt Nuke Plans**

by Ali Akbar Dareini – 25 October 2004

TEHRAN, Iran - Iran indicated it may suspend some unspecified nuclear activities after European powers offered a package of incentives in return for Tehran's promise to permanently give up uranium enrichment.

Meanwhile, a scientist said Iranian researchers have developed technology to produce zirconium, a key metal used in the heart of a nuclear reactor to produce nuclear fuel.

Iran's top nuclear negotiator, Hasan Rowhani, told state television that Tehran was still studying the offer last week by Britain, Germany and France that included civilian nuclear technology and a trade deal.

"We are trying to choose the best course of work," he said.

The United States contends Iran has a covert program to produce nuclear weapons and has been lobbying for the International Atomic Energy Agency to refer Iran to the U.N. Security Council, which could impose sanctions. The European offer was an attempt to head off a confrontation.

Iran wants "to give European countries guarantees and assurances that it will not deviate in the direction of acquiring nuclear weapons," Iranian Foreign Minister Kamal Kharrazi told reporters in Kuwait.

Iran has said it will never abandon enrichment, a technology that can produce fuel for nuclear reactors as well as nuclear weapons. But on Monday Rowhani suggested some flexibility.

"Indefinite doesn't mean permanent," Rowhani said. "They (the Europeans) called for indefinite suspension as long as talks are under way. They say, for instance, that if negotiations are to last six or seven months, then Iran should not violate the suspension for that period."

He did not elaborate. The country is suspending the actual enrichment of uranium but is continuing with related activities, such as the building of nuclear centrifuges, despite the IAEA's request to stop it.

Iran insists its nuclear activities are peaceful and geared solely toward generating electric power.

Monday brought word of another alleged nuclear-related breakthrough.

"Iranian scientists have achieved the technology to design and produce zirconium, the world's most sophisticated nuclear metal," Mansour Habashizadeh told state-run radio.

Habashizadeh, head of the Iranian Center for Research and Production of Nuclear Fuel in the central city of Isfahan, said the metal is used in the heart of a nuclear reactor and as a nuclear fuel protector.

He gave no further details, and it was unclear what prompted the announcement. He did say that only two important industrialized countries were able to produce the metal.

Zirconium is a grayish-white material that ignites spontaneously at high temperature. A naturally occurring substance, it can be found in the earth's crust, but not typically in large deposits.

Zirconium alloy cladding is also used for nuclear fuel tubes placed in the reactor core at the heart of the nuclear reactor.

Britain, Germany and France have warned that most European countries would back Washington's call to refer Iran's nuclear dossier to the U.N. Security Council if Iran does not abandon all enrichment activities by Nov. 25, when the IAEA board of governors is due to meet in Vienna, Austria.

In London on Monday, British Prime Minister Tony Blair said the world would insist Iran complies with IAEA.

"I don't think dialogue has been exhausted on this," Blair said. "But we do need the Iranians to understand that the international community does not find it acceptable that they develop nuclear weapons."

Iran is to resume talks with Europeans on Wednesday.

On Sunday, Foreign Ministry spokesman Hamid Reza Asefi described the European proposal as "unbalanced," but said they had "chosen the correct path of dialogue."

Rowhani said Iran was cooperating with the IAEA to prove "to the world that the United States lied when it said Iran was covertly seeking nuclear weapons."

"No country can force any other country to stop an activity which is its legitimate right, even for one hour. Therefore suspension, of any extent and duration, will be a voluntary Iranian decision," said Rowhani, who is also secretary of the Supreme National Security Council.

Government spokesman Abdollah Ramezanzadeh said the Cabinet had approved a draft law banning the proliferation, production, stockpiling and use of chemical weapons, and it will be sent to parliament.

## Deutsche Presse Agentur

### **EU talks to resume with Iran on nuclear program**

25 October 2004

BERLIN - Negotiations between the European Union and Iran over Teheran's nuclear programme will resume later this week, a German official said Monday.

"We are going into talks with realism but also with a constructive attitude," said Foreign Minister Joschka Fischer's chief spokesman, Walter Lindner. He did not say exactly when this week's meeting would take place.

Iranian officials termed proposals from last week's Vienna round with officials from European Union states Germany, Britain and France as "unbalanced" but have said they want to continue dialogue.

The 25-nation EU is reportedly offering a civilian light-water nuclear power reactor, nuclear fuel and a trade deal in a bid to win pledges from Iran to give up its bid to enrich uranium which can be used to produce nuclear weapons.

Iranian officials said at the weekend that a uranium enrichment facility is nearing completion.

Lindner said Berlin hoped upcoming talks would be used by Teheran to show it was willing to halt uranium enrichment and to propose new confidence-building measures.

The International Atomic Energy Agency (IAEA) says Iran must halt its uranium enrichment programme by 25 November, when the agency is due to make a final decision whether Teheran is complying IAEA rules.

American officials says Iran is hiding a nuclear weapon programme and have urged the IAEA, which is part of the United Nations, to refer the case to the UN Security Council, where Iran could face sanctions.

**Blix urges concessions to Tehran**

25 October 2004

BERLIN: Former United Nations weapons inspector Hans Blix yesterday urged Western nations to offer concessions to Iran if they want the government there to scrap uranium enrichment.

Iran has every right to conduct an enrichment programme, Blix said.

Blix said concessions to persuade Tehran to abandon enrichment might also include improved trade relations or a non-aggression pact, he added.

If Western nations asked Iran to abandon enrichment, Blix said, "Then you are asking them to give something up they have a right to be doing. Then you have to accept that they will make demands."

Blix warned against air attacks on Iran's nuclear facilities and said no nuclear weapons were being developed at such sites.

Reuters

**Sharon: Iran Doing All It Can to Get Nuclear Arms**

26 October 2004

JERUSALEM (Reuters) - Israeli Prime Minister Ariel Sharon accused Iran Monday of doing everything it could to obtain nuclear weapons, further ratcheting up the pressure on its arch-foe.

"Iran is making every effort to arm itself with nuclear weapons, with ballistic means of delivery, and it is preparing an enormous terrorist network with Syria and Lebanon," he told parliament, opening debate on his plan to withdraw from Gaza. Iran has denied trying to build an atomic bomb and says its nuclear program is just for peaceful purposes.

Sharon, striving to blunt resistance to his plan from Israel's nationalist right, referred to Iran as he emphasized Israel faced various dangers and this was not time for disunity over his policies.

"We are powerful enough to defend this country and hit our enemy hard," he said amid heckling from rightist deputies.

Israel, believed to have the only nuclear arsenal in the Middle East, has recently increased pressure on Iran by saying it has obtained weapons that could target the Islamic Republic's underground uranium enrichment facilities.

Iran said last week it had test-fired a more accurate version of its Shahab-3 missile, the latest in a series of upgrades to the weapon thought capable of hitting Israel and U.S. bases in the Gulf.

Iran does not recognize Israel's right to exist, but insists its missiles are for defensive purposes and would be used only to counter an Israeli or U.S. attack on its nuclear facilities.

European Union diplomats are trying to strike a deal with Iran to encourage it to give up uranium enrichment to defuse a dispute over whether Tehran is seeking nuclear arms.

Washington wants to haul Iran before the U.N. Security Council in November for possible sanctions after a meeting of the U.N. nuclear watchdog.

New York Times

**A Hint of a Nuclear Compromise by Iran**

26 October 2004

TEHRAN - In a reversal, Iran's chief nuclear negotiator hinted Monday that Iran might maintain its freeze on enriching uranium to end a standoff with European countries over its nuclear program.

His remarks came one day after a Foreign Ministry spokesman had rejected a request by three European countries last week that Iran indefinitely suspend uranium enrichment in return for technical and economic assistance, saying Iran was waiting for a more "balanced" offer.

"The European proposal for an unlimited suspension of uranium enrichment can be implemented, provided it does not contradict the Islamic Republic's criteria," the ISNA news agency quoted the nuclear negotiator, Hassan Rowhani, as saying on Monday.

"We have said that we accept the suspension as long as it is voluntary," Mr. Rowhani said. "No country has the right to deprive us of our right."



He did not say how long Iran might be willing to forgo enrichment, but said it would "patiently take any measure towards confidence-building."

His comments were the first positive response to the proposal offered by Germany, France and Britain on Thursday. The three countries asked Iran to give up its enrichment program in return for a guarantee to help Iran build a light-water power reactor and to provide a supply of reactor fuel, as well as a package of economic trade incentives.

### IranMania

#### **"Nuclear talks with Tehran will continue": Blair**

26 October 2004

LONDON - British Prime Minister Tony Blair said Monday that dialogue would continue with Tehran over its nuclear programme, but insisted that the international community would not accept the Middle Eastern country developing nuclear weapons, Agence France Press (AFP) reported.

"I don't know anyone who is talking about military action in Iran or Syria," Blair said at his regular monthly press conference.

"But what we are insisting on, quite rightly, is that there is a proper obligation on the Iranians to comply with international law and regulations, laid down by the UN's International Atomic Energy Agency.

"Now I don't think dialogue has been exhausted on this at all, but we do need the Iranians to understand that the international community does not find it acceptable that they develop nuclear weapons," he said.

Blair was speaking after diplomats in Vienna said that officials from Britain, France and Germany would resume talks on Wednesday with their Iranian counterparts aimed at ending a standoff over the issue.

Iran's top nuclear official said earlier on Monday that Tehran could consider continuing a suspension of uranium enrichment, as demanded by the European powers.

The three countries presented Iran with a deal last week under which Tehran would receive valuable nuclear technology if it promised it was not trying to build atomic weapons, including indefinitely suspending all uranium enrichment activities, a key stage in the nuclear fuel cycle.

### Tehran Times

#### **Iran to cooperate with IAEA to prove U.S. claims are baseless: Rowhani**

26 October 2004

TEHRAN (MNA) — Secretary of Iran's Supreme National Security Council Hassan Rowhani said on Monday that Iran is cooperating with the International Atomic Energy Agency (IAEA) to show the world that the U.S. allegations against Tehran's nuclear program are totally baseless.

Asked on some Western media reports that Iran had refused to accept the latest European proposal on its nuclear program and that the case should now be referred to the UN Security Council, Rowhani said that the word "Security Council" is not threatening.

Speaking to a group of reporters after a Majlis session the secretary said that Iran's measures have been transparent and legal, adding that referring the country's nuclear dossier to the Security Council would be useless for those who are after it.

The EU big three, Britain, France and Germany, have offered Iran a deal in which Tehran would indefinitely suspend nuclear fuel cycle activities in return for EU help with civilian nuclear technology and a resumption of trade talks. Rowhani stressed that Tehran wanted its nuclear dossier to be closed on the basis of legal documents in order to prove to the world that its nuclear programs are only meant for peaceful purposes.

As for the latest report of the IAEA inspectors on Iran's nuclear activities, he said according to the UN nuclear watchdog only two more issues remain to be resolved: one is related to the P2 centrifuges and the other is the source of nuclear contamination.

Rowhani stressed that the two remaining issues are related to "third countries" but refused to name any certain country.

"Part of Iran's nuclear case has possibly not been resolved due to a third country's improper cooperation with the IAEA," the secretary said. "This is the problem of the IAEA and the third country and it has nothing to do with the Islamic Republic."

He added that as far as the Islamic Republic is concerned it has completed what it was to do regarding its nuclear case.

Rowhani stressed that Iran should move its nuclear case ahead despite the hindrances created by the U.S. and its allies in this regard.

If there had not been such moves by the U.S., Iran's nuclear case could have been finalized by now, he added.

However, he said, Iran has succeeded in making progress in its nuclear case despite the said problems and despite the fact that the U.S. has been demanding in all meetings that Iran's case should be referred to the UN Security Council.

Iran's top nuclear official further said that Tehran could consider continuing the suspension of uranium enrichment as demanded by European states amid efforts to end a standoff over its nuclear program.

"The European proposal for an unlimited suspension of uranium enrichment can be implemented, provided it does not contradict the Islamic republic's criteria," AFP quoted Rowhani as saying.

He said Tehran would continue cooperating with the international community but insisted that European nations must recognize its right to civilian nuclear technology. "We are going to carry out any necessary action to create confidence... because we do not want to worry the world unnecessarily," Rowhani said. "But the Europeans must accept that our red lines and national rights cannot be violated."

Meanwhile government spokesman Abdollah Ramezanzadeh denied reports that Iran had categorically rejected the European proposal.

The statements came a day after Foreign Ministry spokesman Hamid Reza Asefi described the proposal as 'unbalanced'.

Interpretations made by certain media about Asefi's statements are not true, Ramezanzadeh said.

He added that the Europeans' suggestions are not what Iran wants, but the Islamic Republic would continue negotiations until understanding is reached, which it believes is achievable.

"We acknowledge the international community's concerns about nuclear weapons proliferation, but we also feel obliged not to concede our legitimate right," Ramezanzadeh said.

#### Tehran Times

#### **Iran-Europe dialogue, best way to reach consensus: IAEA**

26 October 2004

VIENNA (IRNA) -- Spokeswoman of the International Atomic Energy Agency (IAEA) Melissa Fleming said here on Monday that the agency considers dialogue between Iran and the European trio as the best possible way to reach consensus on Iran's nuclear activities.

Talking to IRNA, she welcomed holding of the last week meeting of Iran and the three European states (Britain, France and Germany).

She added that the representatives of the European trio and Iran to the meeting have separately provided the IAEA Chief, Mohamed ElBaradei, with reports on the outcome of the meeting.

Ms Fleming further reiterated that the IAEA welcomes dialogue between Iran and the European states.

She also announced that another group of IAEA inspectors is to arrive in Iran prior to the November 25 session of the IAEA Board of Governors.

The IAEA inspectors have so far inspected Iran's nuclear installations for some 50 times.

The first round of talks between Iran and the European trio was held here last Thursday afternoon and the second round is to be held on Wednesday.

Senior officials from the European trio and their Iranian counterparts, after three hours of talks behind the closed doors, agreed to continue their dialogue on Tehran's nuclear programs.

Meanwhile, Foreign Ministry spokesman Hamid Reza Asefi Sunday termed the proposals suggested by the European countries to Iran on the country's nuclear activities as "unbalanced".

Asefi said the next round of talks between the two sides will be held on Wednesday, in which Iran will present its own proposals, while continue to consider the Europeans' proposals.

#### AFP

#### **Vienna nuclear talks "very constructive": Iran**

27 October 2004

TEHRAN (AFP) - Iran said its negotiations on uranium enrichment with European officials in Vienna were "very constructive" while insisting on its right to nuclear technology, state television reported.

"The negotiations were very constructive for Iran, and numerous questions were dealt with during five hours of negotiations," a member of the delegation said, quoted on television.

Officials from Britain, France and Germany met with their Iranian counterparts to hear Tehran's response to an offer that would allow it to avoid potential UN sanctions and receive nuclear technology for indefinitely suspending uranium enrichment.

"Negotiations will continue and, most certainly, can satisfy both parties," Syrus Nasser, also part of the delegation, told Iranian television, adding that "Iran will in no way give up its right to uranium enrichment."

While the talks broke up without any agreement announced, Nasser told journalists in the Austrian capital where the International Atomic Energy Agency (IAEA) is based that a follow-up meeting would be hosted "very soon" by one of the so-called European Three.

"A certain progress has been accomplished and there will soon be a second meeting," senior nuclear official Hossein Moussavian told AFP in Tehran.

"Concerning the suspension of uranium enrichment, as a confidence-building measure, we have not yet given a definitive reply."

The MP in charge of the Iranian parliament's foreign affairs and national security committee insisted that Europe recognize the Islamic republic's right to uranium enrichment.

"It is very important that our right to uranium enrichment be recognised and they (the Europeans) must recognize this right", Allaeddin Borujerdi was quoted as saying by the official IRNA agency.

"I hope we reach an agreement that considers (Iran's) need to follow through with (peaceful) nuclear technology," Borujerdi added.

He also said that a bill to force Iran's reformist government to resume uranium enrichment in defiance of the IAEA was likely to pass after it is debated Sunday.

"I think this bill will be adopted by a vast majority," Borujerdi said of the bill that was proposed earlier this month by his committee.

## Independent

### **Iran steps up confrontation with Europe on nuclear deal**

by Anne Penketh – 28 October 2004

Iran yesterday stepped up its confrontation with European countries as its Supreme Leader threatened to break off negotiations over its suspect nuclear weapons programme.

Senior officials from Britain, France and Germany yesterday held negotiations in Vienna with an Iranian delegation to persuade Iran into indefinitely suspending uranium enrichment ahead of a deadline in one month. It could be used to produce a nuclear weapon.

The EU countries are warning that Iran must comply with the demand in time for the next governors' meeting of the International Atomic Energy Agency on 25 November or face being referred to the UN Security Council for punishment. Initial reports after the talks sounded positive, as both sides spoke of some progress and agreed to meet again next week. But a British official said ominously: "I don't think we're that close yet" to an agreement.

Last night, making his first comments on the dispute on which he has the final say on behalf of Iran, the country's Supreme Leader, Ayatollah Ali Khamenei, rejected a long-term suspension of uranium enrichment.

"If there is any form of threat in the talks, it will show a lack of logic on the part of [Iran's] partners in the negotiations. In that case, the great Iranian nation and the Islamic Republic of Iran will reconsider the very basis of negotiations and co-operation," he said.

Iran has heightened tensions by testing a long-range missile on 20 October, while hardliners in parliament have introduced a bill to force the government to resume enrichment and halt snap UN inspections of nuclear facilities. There are fears that the Iranians will try to wring every possible concession right up to the IAEA meeting.

The Iranians also have their eye on the American elections next Tuesday, in the hope that a Kerry administration would adopt a less hard line than George Bush, who wants the Security Council to take action against Iran. Iran has insisted its nuclear programme is for peaceful purposes.

In their "last chance" offer to Tehran, the three European countries are offering Iran the acquisition of a light water research reactor and resumed trade negotiations with the EU, in return for compliance. The EU states would also back the Russian Bushehr nuclear reactor project in Iran and Russia's guarantees of reactor fuel.

They privately recognise that there is not enough support among Security Council members to impose sanctions, and there are fears that sanctions could prove counter-productive if the Council is not united.

The International Institute for Strategic Studies said last week that in the cases of Iran and North Korea, "the US and its allies may not have sufficient instruments of enticement or coercion to achieve disarmament. The threat of effective sanctions is difficult to realise and military options are unappealing."

An independent expert said the deal being offered by the Europeans was favourable for Iran, adding that the Iranians would rather accept European technology than Russian.

#### Associated Press

### **Powell Cautions Israel on Iran Action**

By Barry Schweid – 28 October 2004

WASHINGTON - Secretary of State Colin Powell advised Israel on Wednesday that diplomacy and not force is the way to deal with Iran's nuclear weapons program.

Two decades ago, Israeli warplanes destroyed an Iraqi reactor to prevent Saddam Hussein from developing nuclear weapons.

With Iran now moving in that direction, Powell said "there was a lot of speculation and horror stories and other stories about what this might lead to in the way of crisis, and part of that speculation is that the Israelis might do something or not do something."

"I have no information on that," Powell said on CNBC. "And I think the whole world, to include Israel, is trying to find a diplomatic and peaceful solution to this problem."

Powell said Iran had a program that could produce nuclear weapons, but he did not think it could be done overnight or in the next several months.

"It's going to take them time," he said.

In talks Wednesday in Vienna, Iran's delegates insisted in a meeting with British, French and German officials on the right to enrich uranium, which is a key ingredient to making nuclear weapons.

And in Iran, supreme leader Ayatollah Ali Khamenei ruled out any long-term suspension of the program.

Powell said it was time to take the issue to the U.N. Security Council, which could impose economic pressure on Iran. "It is not in the interests of the region or the world for Iran to be moving in this direction," he said.

The State Department spokesman, Richard Boucher, said at the daily media briefing that taking Iran before the U.N. Security Council remains the U.S. position even with the talks in Vienna.

"At this point, we have not seen anything different," he said. "But in terms of Iranian commitments or behavior, we will have to see how the meeting went."

The Europeans were believed to be offering Iran fuel and trade if it halted its nuclear programs.

#### Washington Post

### **Iranian Leader Rules Out Halt in Uranium Enrichment**

by Susanna Loof – 28 October 2004

VIENNA -- Iran's supreme leader threatened Wednesday to pull out of negotiations if European countries press their demand for total suspension of uranium enrichment, as a new round of talks ended without an agreement to avert the possible threat of U.N. sanctions.

Britain, France and Germany are trying to work out a deal that would defuse Western concerns about Iran's nuclear program, which the United States says aims to develop nuclear weapons.

The Europeans are offering Iran incentives -- a trade deal and civilian nuclear technology, including a light-water research reactor -- in return for a halt in enrichment, which can produce fuel for both nuclear energy and atomic weapons.

They have warned that most European states will back the United States' call to refer Iran's nuclear file to the U.N. Security Council for possible economic sanctions if Iran doesn't give up all uranium enrichment activities before a Nov. 25 meeting of the International Atomic Energy Agency, a U.N. body.

In talks Wednesday, Iran's delegates insisted on the right to enrich uranium. And the country's supreme leader, Ayatollah Ali Khamenei, ruled out any long-term suspension of the program. "A long-term suspension of enrichment is a discussion without logic," Khamenei said, according to state-run television in Tehran.

Still, Iranian negotiators held out the possibility of a compromise with the Europeans. Iranian and British officials said another round of talks would be held soon.

"We haven't closed the door for an understanding . . . but will reach compromise if there is a balanced package of agreements. Obligations and confidence-building measures have to be bilateral," Hossein Mousavian, Iran's chief delegate to the IAEA, told his country's state-run radio Wednesday. "There has to be no discrimination against Iran."

Iran insists that its nuclear activities are peaceful and geared solely toward generating electricity. The United States, pointing to Iran's vast oil reserves, contends that it is running a covert nuclear weapons program.

Heightening the U.S. concerns, Iran has resumed testing, assembling and making centrifuges used to enrich uranium.

## Reuters

### **Iran Sees Small Chance of UN Economic Sanctions**

By Paul Hughes – 29 October 2004

TEHRAN (Reuters) - Iran believes there is only a 10 percent chance the U.N. Security Council will impose economic sanctions on it if Washington succeeds in sending its nuclear case there, a senior security official said on Friday.

Hossein Mousavian, foreign policy committee secretary at the Supreme National Security Council, said Iran's past cooperation with U.N. inspectors and support from key non-Western states such as Russia and China would spare Iran.

"Iran has given reports on its nuclear activities, it has signed the additional protocol (on snap nuclear inspections) and has proved its commitments to the nuclear Non-Proliferation Treaty," the ISNA students news agency quoted him as saying.

"Therefore, even if Iran's case is sent to the Security Council, we are more than 90 percent sure no economic sanctions will be imposed on Iran because our nuclear activities have been peaceful."

The European Union has warned Tehran it would back U.S. calls to refer Iran to the Security Council if it did not agree to freeze all uranium enrichment activities before an International Atomic Energy Agency meeting on Nov. 25.

Iran, which denies pursuing nuclear arms and says it only wants to generate electricity, says it may freeze enrichment -- a process that can make bomb-grade material -- for a few months.

But the European Union wants a longer suspension and ultimately wants Tehran to scrap all atomic fuel cycle work, which it says it will never do.

Western diplomats in Tehran acknowledged that the failure of U.N. inspectors to find any "smoking gun" in Iran pointing to an atomic arms program made the likelihood of sanctions against Tehran unlikely in the short term. "The most we could expect at first is a resolution calling on Iran to cooperate more or halt certain activities," one said.

### **Russian, Chinese support**

EU and Iranian negotiators are due to meet again to try to hammer out a deal on uranium enrichment in Paris on Nov. 5. "If Iran's case is sent to the Security Council, Russia, China and the non-aligned nations and many other countries know that Iran does not have an atom bomb to be punished for," Mousavian said.

Russia and China hold veto powers on the Security Council.

Russia has a \$1 billion contract to build the Islamic state's first nuclear reactor. Tehran also secured a \$70 billion oil and gas contract with energy-thirsty China this week -- the biggest energy deal ever between the countries. Mousavian said Russian and Chinese officials had visited Iran recently and China's foreign minister may visit Iran soon.

"Iran's team of (nuclear) negotiators have spent about 70 percent of their time negotiating with countries such as Russia, China and non-aligned countries and have only spent 30 percent of their time negotiating with European countries," he said.

Security Council referral would be unwelcome. "When a country's case is sent there it is viewed as a threat to international peace and security and Iran does not welcome that.

"If Iran's case is sent to the Security Council it is because we want to defend our rights ... Of course, we have to pay the price, but it will be more costly for the other side."

## AFP

### **Iran demands commitments from EU on nuclear energy**

31 October 2004

TEHRAN (AFP) - Iran is to ask European countries for a timetable as well as concrete commitments over future cooperation in nuclear energy if it is to agree to a permanent halt to uranium enrichment, a foreign ministry spokesman said.

Representatives from Germany, Britain and France are to meet Iranian officials on Friday in Paris to try to convince the country to renounce uranium enrichment and stave off the threat of being summoned before the UN Security Council over its nuclear activities.

"We are expecting from them a calendar of cooperation and we will insist on that point," foreign ministry spokesman Hamid Reza Asefi told reporters.

"We expect that in the course of this (Paris) meeting the Europeans will specify their precise commitments, concrete and clear, and the Islamic Republic will take the best decision in line with its own interests," he added.

He also urged that the Europeans show the "flexibility necessary so that we can come to a result."

Associated Press

### **Iran Parliament OKs Nuke Enrichment Bill**

by Ali Akbar Dareini – 31 October 2004

TEHRAN, Iran - To shouts of "Death to America," Iran's parliament unanimously approved the outline of a bill Sunday that would require the government to resume uranium enrichment, legislation likely to deepen an international dispute over Iran's nuclear activities.

Still, Iran's top nuclear negotiator Hossein Mousavian told The Associated Press there was a 50 percent chance of a nuclear compromise with European nations.

He ruled out an indefinite suspension of key enrichment activities — a concession that European negotiators have sought — but suggested Iran would consider calling a halt to building more nuclear facilities.

The talks with the Europeans aim at averting a standoff over Iran's nuclear weapons program at a Nov. 25 meeting of the U.N. nuclear watchdog.

The Europeans have offered to provide nuclear fuel and technology if Tehran reins in its ambitions to develop its own fuel — by creating enrichment facilities that can be used for peaceful purposes or for creating weapons.

Some lawmakers broke out with shouts of "Death to America!" after the conservative-dominated parliament after lawmakers voted to advance the nation's nuclear program, an issue of national pride that provides a rare point of agreement between conservatives and reformers.

Parliament speaker Gholam Ali Haddad Adel called Sunday's vote a message to the world.

"The message of the absolute vote for the Iranian nation is that the parliament supports national interests," he said. "And the message for the outside world is that the parliament won't give in to coercion."

The legislation said the government is "required to make use of scientists and the country's facilities ... in order to enable the country to master peaceful nuclear technology, including the cycle of nuclear fuel."

Another vote is expected on the bill when details are worked out, but that is usually a formality. A date for the second vote was not immediately set.

Washington has pushed hard for Iran to drop its nuclear program, which Tehran maintains is for peaceful energy purposes. The United States, which has secured some support from European nations, accuses Iran of trying to build nuclear weapons.

Mousavian, Iran's top nuclear negotiator told the AP some progress "definitely" was made during last week's talks with Europeans, who he said "showed flexibility and understanding."

Britain, Germany and France have warned that most European states will back Washington's call to refer Iran to the U.N. Security Council for possible economic sanctions if Tehran doesn't give up all uranium enrichment activities before a Nov. 25 meeting of the International Atomic Energy Agency.

"I see the chance of a compromise before November (25th) as 50-50," Mousavian said.

In two rounds of talks in Vienna, Austria, the Europeans offered Iran a trade deal and peaceful nuclear technology — including a light-water research reactor — in return for assurances Iran would indefinitely stop enriching uranium. Mousavian said a third round of talks is planned, but not yet scheduled.

"We have rejected two possibilities: cessation and unlimited suspension," he said. "We told the Europeans if your target is cessation, it will be impossible. But we are flexible if your proposal is balanced."

"The package should define a timetable," he said.

Mousavian indicated Iran is willing to consider a moratorium on building more nuclear facilities, which it would need to produce enough fuel for additional power plants. Iran already has facilities in Isfahan and Natanz, but Iranian officials say that at full capacity they would only be able to supply one power plant.

"It will take a minimum of five years for Iran to provide fuel for one nuclear power plant," Mousavian said. "If they guarantee nuclear fuel, we would welcome it. It will be the best guarantee not to go for expansion." Uranium enriched to a low level can be used to produce nuclear fuel. If enriched further it can be used to make nuclear weapons.

Iran is not prohibited from enriching uranium under its obligations to the Nuclear Nonproliferation Treaty but faces growing international pressure to suspend such activities as a good-faith gesture.

Iran, which repeatedly has refused to give up its nuclear program, last year suspended actual uranium enrichment. However, Tehran has rejected demands that it stop all other activities related to enrichment, such as building centrifuges.

#### Tehran Times

### **Majlis approves bill on access to civilian nuclear technology**

1 November 2004

TEHRAN (MNA) -- The Majlis on Sunday overwhelmingly approved a bill which calls for Iran to make stepped-up efforts to gain access to nuclear technology meant for peaceful purposes, with 238 MPs of the 290-seat parliament voting in favor of the bill.

According to the bill, the government must make every effort to gain access to nuclear technology, including the complete nuclear fuel cycle, by taking advantage of Iranian scientists' expertise and making efforts to ensure that the International Atomic Energy Agency and member states meet their commitments toward nuclear Non-Proliferation Treaty (NPT) signatory states.

The plan was already approved by the Majlis national security and foreign policy, energy, health, education and research, and agriculture committees. Following the recent discussions in the Majlis on the issues brought up during Iran-EU nuclear negotiations and the European Union's suggestion that Iran indefinitely suspend uranium enrichment and halt its nuclear fuel cycle work, the MPs ratified the bill and then shouted "Down with the U.S.A." and "Down with Israel."

Majlis National Security and Foreign Policy Committee spokesman Kazem Jalali said on Sunday that Iran should defend the rights it has gained through signing the NPT and the International Atomic Energy Agency (IAEA) should also recognize these rights.

According to Article 4 of the NPT, none of the treaty regulations should be interpreted in a way that would restrict the inalienable rights of signatories, he added.

Jalali criticized the discriminatory behavior of the IAEA in regard to Iran's nuclear dossier and said that the additional protocol to the NPT was drafted to uphold the right of signatories to use nuclear fuel meant for peaceful purposes not to prevent them from gaining access to the complete nuclear fuel cycle.

At the end of Sunday's session of parliament, Majlis Speaker Gholam-Ali Haddad Adel said that the ratification of the double-urgency bill on stepping up efforts to gain access to nuclear technology meant for peaceful purposes is a sign of the Iranian national will to make use of nuclear technology within the framework of IAEA regulations.

The bill prohibits the government from neglecting Iranians' inalienable right to gain access to nuclear technology meant for peaceful purposes, he added.

With the ratification of the bill, it is now quite clear that the prerequisite for the continuation of negotiations between Iran and the European Union is recognition of Iran's right to gain access to nuclear technology, the Majlis speaker noted.

Haddad Adel stated that the Majlis defends the national interests and this is the principle of the Islamic Revolution, adding that the Islamic Republic of Iran would not bow to pressure.

Iran will observe international regulations, but at the same time insists on upholding the national interests and the country's right to access to nuclear technology meant for peaceful purposes, he said in conclusion.

#### Pravda

### **An international dispute over Iran's nuclear activities is deepen**

1 November 2004

Iran's parliament unanimously approved the outline of a bill Sunday that would require the government to resume uranium enrichment, legislation likely to deepen an international dispute over Iran's nuclear activities.

Separately, Iran's top nuclear negotiator said there was a 50 percent chance of a nuclear compromise with European nations, though he ruled out an indefinite suspension of key enrichment activities.

Shouts of "Death to America!" rang out in the conservative-dominated parliament after lawmakers voted to advance the nation's nuclear program, an issue of national pride that provides a rare point of agreement between conservatives and reformers.

Washington has pushed hard for Iran to drop its nuclear program, which Tehran maintains is for peaceful energy purposes. The U.N. nuclear watchdog is also pushing for Iran to halt its activities.

The United States, which has secured some support from European nations, accuses Iran of trying to build nuclear weapons.

Parliament speaker Gholam Ali Haddad Adel called Sunday's vote a message to the world, informs ABC News.

According to the Guardian Unlimited, defiant lawmakers - shouting "Death to America" - unanimously voted Sunday to approve the outline of a bill requiring the government to resume uranium enrichment, a move likely to deepen an international dispute over Tehran's atomic activities.

Nevertheless, Iran's top nuclear negotiator, Hossein Mousavian, told The Associated Press in an exclusive interview that a compromise could still be reached with European negotiators to avert the risk of U.N. sanctions.

Britain, France and Germany have offered Iran a trade deal and peaceful nuclear technology - including a light-water research reactor - in return for assurances Iran would indefinitely stop enriching uranium. Uranium enriched to a low level can be used to produce nuclear fuel, but if enriched further it can be used to make nuclear weapons.

While lawmakers were discussing the bill, Mousavian ruled out an indefinite suspension of enrichment activities. But he suggested Iran would consider halting the building of more nuclear facilities, which it would need to produce enough fuel for additional power plants.

Washington has accused Iran of trying to build atomic weapons and has pushed for the case to be referred to the U.N. Security Council for possible sanctions if Tehran doesn't give up all uranium enrichment activities before a Nov. 25 meeting of the International Atomic Energy Agency, the U.N.'s nuclear watchdog.

The Iranian parliament has approved a bill that calls for resuming uranium enrichment.

Today's vote came amid shouts of "Death to America." The legislation could deepen an international dispute over Iran's nuclear activities.

But Iran's top nuclear negotiator tells The Associated Press there's a 50-50 chance of a nuclear compromise with Europe. He says Iran probably won't indefinitely suspend some work, as Europe wants, but may stop building more nuclear facilities.

The Europeans have offered to provide nuclear fuel and technology if Tehran reins in its ambitions to develop its own fuel by creating enrichment facilities that can be used for creating weapons, publishes the World Now.

### Washington Post

#### **U.N. Nuclear Agency Chief Urges Iran to Suspend Activities**

By Colum Lynch and Dafna Linzer – 2 November 2004

UNITED NATIONS, Nov. 1 -- The chief of the United Nations' nuclear agency appealed to Iran Monday to suspend its nuclear activities and expressed concern that efforts to halt the spread of atomic weapons have been undercut by North Korea's refusal to allow inspections and by a black market in nuclear materials.

Mohamed ElBaradei, director general of the International Atomic Energy Agency, offered a sobering assessment of nonproliferation efforts in an annual address to the 191-member General Assembly of the United Nations. Speaking one day after Iran's parliament voted to affirm the country's right to enrich uranium, ElBaradei urged Iran "to build confidence" by suspending those activities as part of a "comprehensive settlement" to end a nuclear standoff.

France, Britain and Germany offered Iran a deal last month to end its enrichment work in exchange for political and economic incentives, including a guarantee that Iran would not be referred to the Security Council, where the United States could press for sanctions. U.S. diplomats have said they expect negotiations between Iran and the three European countries to result in a deal. But they expressed concern that any agreement could be written in a way that gives the Islamic state wiggle room to continue nuclear experiments that could enhance its bombmaking capabilities.

ElBaradei made only an indirect reference on Monday to the loss of nuclear-related equipment in Iraq, including the disappearance of 377 tons of high explosives that became a central issue in the final week of the U.S. presidential campaign. He defended the agency's prewar record in Iraq, saying that U.N. inspections



had succeeded and that he had "been validated" in concluding that Saddam Hussein had not revived his nuclear weapons program.

"The Iraq experience demonstrated that inspections -- while requiring time and patience -- can be effective when the country under inspection is providing less than active cooperation," ElBaradei said.

ElBaradei's address came in an eventful year in which Libya foreswore its nuclear arms program, a Pakistan-based marketplace in nuclear weapons components was unmasked, and North Korea continued for a second year to pursue its nuclear program beyond the view of international monitors.

The U.N. nuclear chief said he cannot "provide any level of assurance" that Pyongyang is not diverting nuclear material to a weapons program. "North Korea continues to pose a serious challenge to the nuclear nonproliferation regime," he said, noting that IAEA inspectors have been barred from the country since 2002.

ElBaradei cited Libya as a great success story, since Moammar Gaddafi agreed to give up his government's nuclear weapons program. ElBaradei cautioned that further investigation is required to verify how completely Libya disclosed its nuclear activities.

On Iran, ElBaradei provided a mixed review of that country's actions. He described Tehran's "failure over an extended period of time to meet many of its obligations" to the nuclear agency, but noted that its cooperation "has improved appreciably." Still, he said, Iran's response to information requests in some cases "has continued to be slow."

"Perhaps the most disturbing lesson to emerge from our work in Iran and Libya is the existence of an extensive illicit market for the supply of nuclear items, which clearly thrived on demand," he said, referring to trade in nuclear equipment by a network headed by Pakistani scientist Abdul Qadeer Khan.

There have been heightened tensions in the past year between ElBaradei and the Bush administration, which opposes the former Egyptian diplomat's bid for a third term in June. Administration opposition to ElBaradei has grown steadily since the run-up to the Iraq war, when he pronounced, in defiance of the White House, that Iraq no longer had a nuclear weapons program.

Since the war, the administration has kept the agency from inspecting materials in Iraq, and IAEA officials say the administration has refused to respond to its concerns over missing equipment there.

Months before ElBaradei announced he would seek a third term, the State Department began floating names of possible replacements for him. They included Australian Foreign Minister Alexander Downer, two Japanese diplomats and a South Korean official whose name was dropped from the list after Seoul admitted that scientists had conducted covert nuclear experiments.

ElBaradei announced in September that he will stay on if the IAEA board wants him to. "I was asked by just about everybody to stay because there are a lot of issues that are still open and important: Iraq, Iran, the threat of proliferation," he said in an interview Friday. "I made it clear that I am happy to continue public service, which is a personal sacrifice, but I'm happy to improve my golf handicap."

ElBaradei has encouraged Iran and the three European countries to strike a deal before the IAEA Board of Governors meets on Nov. 27 to consider whether to refer Iran's case to the Security Council.

## Reuters

### **Iran Optimistic Nuke Case Can Be Resolved -Khatami**

By Parisa Hafezi - 2 November 2004

TEHRAN (Reuters) - President Mohammad Khatami said on Tuesday he was optimistic talks with the European Union would yield a solution to the dispute over Iran's nuclear program, which Washington says is a covert bid for atomic arms.

"If the EU accepts our right to produce nuclear technology for peaceful purposes, we are ready to assure the world and the EU that we will not pursue nuclear weapons," Khatami told reporters. "We can reach a solution, I am optimistic."

Iran says its nuclear ambitions do not go beyond a desire to produce electricity from atomic reactors. But its insistence that it wants to make its own nuclear fuel for the reactors has raised concerns it could use the same facilities to produce atomic bombs.

The EU has given Iran an ultimatum to freeze all uranium enrichment activities before a Nov. 25 meeting of the International Atomic Energy Agency's (IAEA) board or face being reported to the U.N. Security Council for possible sanctions.

Enriched uranium can be used as reactor fuel or, if enriched further, to make atom bombs.

EU and Iranian officials are due to meet for a third round of talks on Friday to discuss an EU package of incentives for Iran in return for it agreeing to scrap uranium enrichment.

"Both sides show flexibility," Khatami said.

"We are ready to reach an agreement. We will continue negotiations and hope that, with the realization of the Iranian nation's rights, we will pass this stage. I'm not pessimistic in this regard."

An EU diplomat familiar with the negotiations said that despite often tough rhetoric from Tehran, the Islamic state's clerical leadership was keen to avoid Security Council referral.

"They clearly want to reach a deal before the IAEA board (meeting). They may say they don't fear the Security Council but they know that if their case ends up there it takes on a different dynamic," he said.

### **Building confidence**

IAEA head Mohamed ElBaradei said on Monday that Tehran needed to suspend all uranium enrichment-related and reprocessing activities as a confidence-building measure.

"I have continued to stress to Iran that, in light of serious international concerns surrounding its nuclear program, it should do its utmost to build confidence through these voluntary measures," he said in a speech to the U.N. General Assembly, adding that Iran's cooperation had improved appreciably.

Khatami said Iran may be willing to freeze enrichment, but only on its own terms and only for a temporary period.

"If there is a suspension it will be voluntary. There should be no talk of cessation or obliging us to suspend," he said.

He added that Iran wanted a time limit to be imposed for a result to emerge from the EU discussions.

"Negotiations cannot be indefinite, we must define a timetable," he said.

Hossein Mousavian, one of Iran's top nuclear negotiators, told Reuters on Monday that Tehran would be prepared to suspend enrichment for six months at most -- and then only if the EU dropped demands that Iran scrap its nuclear fuel cycle activities for good.

### AFP

#### **In major compromise EU softens demand on Iran for uranium enrichment suspension**

2 November 2004

VIENNA (AFP) - The European Union is no longer explicitly calling for an indefinite suspension of Iran's uranium enrichment, diplomats said, outlining a compromise proposal ahead of a crucial meeting with the Iranians on their nuclear programme.

The diplomats said ambassadors from Britain, France and Germany were Tuesday to hand over in Tehran the EU's written offer, ahead of a scheduled meeting with Iran in Paris on Friday on Europe's request for Iran to halt uranium enrichment, which can be used to make nuclear weapons.

"This paper fudges the uranium enrichment question by saying suspension needs to hold until the conclusion of negotiations over the long-term status of Iran's program," said a Western diplomat who requested anonymity.

It is "a very polished linguistic version, so to speak, to bypass that problem (indefinite suspension of enrichment)," another diplomat close to the talks said.

The EU, led by Britain, France and Germany, has until now said Iran must indefinitely suspend uranium enrichment, a key part of the nuclear fuel cycle, but Iran insists that its right to enrichment cannot be called into question, which would be the case in an indefinite suspension.

Top nuclear negotiator Hossein Mousavian said in Tehran that Iran could agree to maintain a suspension of uranium enrichment for half a year.

But he added: "Cessation is rejected, indefinite suspension is rejected, suspension shall be a confidence-building measure and a voluntary decision by Iran and in no way a legal obligation, and this has to be clear in our understanding."

In Brussels, French Foreign Minister Michel Barnier urged Iran to produce a "lasting" halt to its uranium enrichment activities, carefully avoiding the word "indefinite" as signs emerged of a compromise deal between Iran and the EU.

The United States, which is keeping a low profile on the European initiative, wants the International Atomic Energy Agency (IAEA) at a meeting in Vienna on November 25 to take Iran before the UN Security Council for running what it claims is a secret nuclear weapons program.

The Council could then impose punishing sanctions.

The Western diplomat said the United States was "fully in waiting mode, waiting to see how the Iranians react" to the European offer, which is aimed at avoid taking Iran to the Security Council.

Europe's three major powers have vowed to offer nuclear technology, increased trade and help with Iran's regional security concerns if Tehran halts enrichment.

But Iran has said it wants these incentives to be given to it up front, instead of the Islamic Republic having to wait until the end of the negotiating process, diplomats said.

"Iran is willing to consider a suspension but wants to know what it will get in return," a non-aligned diplomat close to the IAEA told AFP Tuesday after a briefing by Iran's IAEA ambassador Pirooz Hosseini.

Mousavian's comments were echoed by President Mohammad Khatami who said: "Our nation must be given the assurance that it will not be stripped of its right (to enrich uranium)."

But of Friday's new round of talks, Khatami told reporters: "I am optimistic... Both sides are showing flexibility."

Mousavian has told the European trio that Iran's national security council is "pretty divided on the issue," a diplomat told AFP in Vienna.

Mousavian said the council has "a small majority in favor of suspension and some opposed to it," the diplomat said. The diplomat said: "Iran now has the choice -- the Iranians can say yes (to the European offer) and things can move forward or they can say no and they know the consequences."

## Guardian

### **Straw: war on Iran 'inconceivable'**

Tom Happold – 4 November 2004

The foreign secretary, Jack Straw, today sought to calm fears that the US president, George Bush, would use his second term to further reshape the Middle East by launching military strikes against Iran, describing the prospect as "inconceivable".

The US believes that Iran, despite its denials, is on course to gain the capability of producing a nuclear weapon within the next three years, making it the Middle East's second nuclear power along with Israel.

Speaking on BBC Radio 4's Today programme this morning, Mr Straw made clear Britain's opposition to military strikes. The foreign secretary has been working closely with his French and German counterparts over recent months to secure a diplomatic solution to the issue.

Asked if he thought that the world would back a strike on Iran, either by US or Israeli forces, Mr Straw said: "Not only is that inconceivable, but I think the prospect of it happening is inconceivable."

In 1981 Israel launched air strikes to destroy Iraq's nuclear programme at Osirak. The Israeli leader at the time, Menachem Begin, said that it would not allow hostile states to develop nuclear weapons.

Today, however, Mr Straw insisted that the international community was committed to resolving the impasse with Iran "constructively".

"I don't see any circumstances in which military action would be justified against Iran," he said.

The US is pushing for the International Atomic Energy Authority, the UN body which was a part of the hunt for weapons for mass destruction in Iraq, to refer Iran to the UN security council on November 25, which would then have to decide whether to impose sanctions.

US diplomats are, however, meeting Iranian officials ahead of that decision at a conference on Iraq in Egypt on November 23, leaving an opportunity open for bilateral progress.

James Phillips, Middle East analyst at the influential rightwing Heritage Foundation in Washington, thinks that President Bush will try to pursue a "multilateral strategy" on Iran but does not believe that military intervention can be ruled out.

"Bush may try to pull the European allies into a multilateral strategy, especially on the nuclear issue, even if only to prove he is open to that," he told Associated Press. "I am hopeful it can be resolved short of war."

Mr Straw's call for a multilateral diplomatic approach to Iran comes after Tony Blair appealed to the US President and European leaders to work together to resolve the "conditions and causes on which the terrorists prey", particularly the present impasse in the Middle East peace progress.

Speaking at a Downing Street press conference last night, the prime minister said that securing a settlement between Israel and the Palestinians was "the single most pressing political challenge in the world".

Mr Blair had earlier told MPs during his weekly Commons questions time that Israel's planned pull-out from Gaza was an opportunity to kickstart the peace process, but that more was needed.

"My very clear view, and I believe this is shared by President Bush and indeed certainly by the international community, is that the disengagement plan from the Gaza strip is important ... but it is a first step," he said.

## New York Times

### **Iran and Europe Locked in Nuclear Talks**

by Elaine Sciolino – 6 November 2004

PARIS, Nov. 5 - In an effort to stop Iran from producing a nuclear bomb, the 25 leaders of the European Union on Friday offered Iran economic and political incentives if it suspended its production of enriched uranium.

The proposal, issued in a statement at the end of a two-day summit meeting in Brussels, coincided with negotiations that opened here in which Iran was seeking concessions from France, Germany, Britain and the European Union to allow it to produce enriched uranium. Uranium can be enriched both for peaceful purposes and to develop nuclear weapons.

In the negotiations, which stretched late into the night, the Iranians were willing only to consider a temporary suspension of perhaps six months to buy time for a broader agreement and avoid the threat of sanctions, according to officials involved in the negotiations. One European official labeled the Iranian position "suspension minus."

The goal of the Europeans, by contrast, has been to push Iran to agree to suspend its uranium enrichment indefinitely in exchange for the promise of economic and political rewards, officials said.

Iran has said that its uranium enrichment program is only for energy production purposes, claiming it as a sovereign right and a matter of national pride. On Oct. 31, Iran's Parliament unanimously passed a bill supporting the resumption of uranium enrichment. On Tuesday, Iran's president, Mohammad Khatami, ruled out a definitive halt to uranium enrichment but expressed confidence that a compromise could be reached.

"Our nation must be given the assurance that it will not be stripped of its right," Mr. Khatami told reporters at the Parliament, adding that he was optimistic that negotiations in Paris would succeed.

That sentiment was echoed by Hussein Mousavian, the Iranian negotiator in the talks, who told Iran's state television, "I am optimistic because the two parties are determined to reach an accord satisfactory to both."

The spirit of optimism seems to be grounded in two assumptions by Iran.

The first is that the Europeans seem willing to bend to Iran by offering concessions to avoid a confrontation on Nov. 25, when the United Nations' nuclear monitoring body, the International Atomic Energy Agency, meets in Vienna. The second assumption is that the international community will not have the political will to impose sanctions on Iran if it does not comply - particularly economic sanctions at a time when oil prices are so high.

Under pressure from the Bush administration, the I.A.E.A. is scheduled to rule at its meeting later this month on whether Iran has met demands that it cooperate fully to disclose its nuclear activities. The Bush administration is poised to turn the matter over to the Security Council for discussion of sanctions if Iran does not cooperate.

The Europeans, who have worked to avoid sanctions, nevertheless admit that Iran has reneged on an agreement reached with France, Germany and Britain in October 2003 to suspend uranium enrichment and to accept stricter international inspections of its nuclear sites.

In Brussels this week, Foreign Minister Joschka Fischer of Germany said Iran had to "stop the fuel cycle." Otherwise, he predicted, "we are moving forward in a very serious situation."

But Iran has charged that the Europeans have reneged on their promises under last year's agreement to deliver peaceful nuclear technology and other economic incentives in exchange for its cooperation.

Mr. Mousavian has taken a hard line on the issue of uranium enrichment. "Cessation is rejected, indefinite suspension is rejected," he was quoted by Agence France-Presse as saying in Tehran on Tuesday. "Suspension shall be a confidence-building measure and a voluntary decision by Iran and in no way a legal obligation."

To avoid a diplomatic showdown and to salvage last year's agreement, the Europeans proposed a package of economic incentives for Iran last month that included access to imported nuclear fuel for its reactors, help with regional security concerns, and increased trade, including access to spare parts for Iran's aging airline industry.

That incentive strategy was underscored in the European Union decision contained in the European Union's statement on Friday. "A full and sustained suspension of all enrichment and reprocessing activities, on a voluntary basis, would open the door for talks on long-term cooperation offering mutual benefits," the statement said.

The European leaders also pledged to press for long-term "political, economic and technological" cooperation and the resumption of negotiations on a trade agreement between Iran and the European Union.

In Tehran, Ayatollah Ali Khamenei, Iran's supreme leader, took the unusual step of delivering the weekly Friday Prayer sermon in which he insisted that Iran had no intention of developing nuclear weapons, which, he said, were forbidden under Islam.

"They accuse us of pursuing nuclear weapons," Ayatollah Khamenei said. "I am telling them as I have said before that we are not even thinking about nuclear weapons. Our nuclear weapon is our young and devoted youth and our believing nation."

In an interview published Friday in The San Francisco Chronicle, Mohamed ElBaradei, the director general of the International Atomic Energy Agency, said he had no clear proof that Iran was developing nuclear

weapons. "We haven't seen any concrete evidence that points to a fact that Iran has a nuclear weapons program," he said in the article. "We have seen Iran experimenting with all aspects of the fuel cycle, but we still have lots of work to do."

But the United States, Britain, France and Germany and other countries believe that despite its denials, Iran is pursuing a clandestine nuclear weapons program under cover of its civilian atomic energy program.

#### Associated Press

### **China Seeks to Avoid Iran Nuclear Issue**

by Ali Akbar Dareini - 6 November 2004

TEHRAN, Iran - China does not want to see Iran hauled before the U.N. Security Council for possible sanctions over its nuclear program, but the nation's foreign minister would not say Saturday if China would veto any such censure.

Visiting Foreign Minister Li Zhaoxing said resolving the standoff within the framework of the International Atomic Energy Agency, the United Nations' nuclear watchdog agency, would "serve all parties."

His remarks came as Iranian and European officials met in Paris to continue negotiations aimed at a compromise. State-run television reported Saturday the Europeans had rejected an Iranian offer to suspend nuclear activities for six months.

Iran's top nuclear negotiator, Hossein Mousavian, was quoted from Paris as saying both sides were showing flexibility, but agreement has not been reached.

Officials from Iran, Britain, Germany and France are holding their talks at an undisclosed location in Paris.

The three European powers have offered Iran a trade deal and peaceful nuclear technology — including a light-water research reactor — in return for assurances that the country will indefinitely stop uranium enrichment, a technology that can produce nuclear fuel or atomic weapons.

The Europeans have warned Iran that they will back Washington's threat to refer the Islamic republic to the U.N. Security Council for possible sanctions unless it gives up all uranium enrichment activities before a Nov. 25 meeting of the International Atomic Energy Agency in Vienna.

Tehran suspended uranium enrichment last year but has refused to stop other related activities such as building centrifuges.

Li told reporters he had spoken by phone before arriving Saturday in Tehran with U.S. Secretary Colin Powell as well as top British and Japanese officials about how to "properly resolve" the dispute over Iran's nuclear program.

"I told my colleagues that China supports a solution within IAEA. The Iranian government is having a very positive and active cooperation with the agency," Li said during a press conference with his Iranian counterpart, Kamal Kharrazi.

"Referral to the U.N. Security Council will only make the issue more complicated and more difficult to work out," he said.

However, asked if China would veto any Security Council call for sanctions, Li did not directly respond, saying only: "I don't really know if it will be brought to the Security Council."

Kharrazi described the Paris talks as "complicated and difficult," and reiterated Iran's insistence any solution recognize Iran's right to the peaceful use of nuclear energy.

Senior Iranian officials, most recently supreme leader Ayatollah Ali Khamenei, repeatedly have said Iran has no intention of building nuclear weapons as the United States contends.

Uranium enriched to a low level can be used to produce nuclear fuel, but if enriched further it can be used to make nuclear weapons. Iran is not prohibited from enriching uranium under the Nuclear Nonproliferation Treaty, but faces growing international pressure to suspend such activities.

#### CNN

### **Provisional deal in Iran N-talks**

by Kasra Naji and Robin Oakley – 7 November 2004

A provisional agreement has been reached over Iran's nuclear program in talks conducted in Paris, but it must now be taken back to the capitals of Iran, Britain, Germany and France for confirmation, Iran and the EU said.

The agreement could usher in an important change in Iran's relations with Europe and much of the international community, said Iranian delegation spokesman Hussein Mousavian.

"The agreement will have to be approved at the highest levels of government," Mousavian told Iranian TV. "My impression is that if this is approved by all four parties, we will witness an important change in Iran's relations with Europe and much of the international community in (the) not-too-distant future."

The European Union's so-called "Big Three" -- France, Germany and the United Kingdom -- have been holding their third round of talks with Iran in an effort to persuade Tehran to suspend its nuclear enrichment activities in return for improved trade and political relations.

Washington had warned Tehran that if no agreement was reached, Iran's nuclear program would be referred to the U.N. Security Council at the next meeting of the International Atomic Energy Agency (IAEA) Board of Governors.

"The agreement is the outline of future cooperations between Iran and the EU in political, economic, security and confidence-building spheres," Mousavian said.

EU spokeswoman Ewa Hedlund confirmed that an agreement was reached Saturday on a "technical level," but she would not comment on details of its substance until it has the "political blessing by the governments in the four countries."

A spokesman for the French foreign ministry also confirmed the breakthrough, saying there was "considerable progress towards a provisional agreement."

Once the agreement is approved by the four capitals, expert-level talks about specific cooperation will begin. It was not clear just how the two sides have resolved their difference over the EU demand that Iran suspend uranium enrichment activities -- something Iran has repeatedly said that it would not do for a sustained period.

Iran has said any suspension would be short-lived and only with the aim of building confidence between Tehran and the international community.

#### Washington Post

#### **Envoys Report Progress in Iran Talks**

Europeans Say Tehran Must Act Soon to Avoid U.N. Action on Nuclear Program

By Robin Wright and Dafna Linzer – 7 November 2004

TEHRAN -- Two days of talks in Paris between Iranian and European delegations about Iran's nuclear program ended late Saturday without a formal agreement, but diplomats said progress had been made.

"After two days of very difficult discussions, we have made significant progress toward a provisional agreement," a senior Iranian envoy involved in the negotiations said on condition of anonymity in a telephone interview from Paris. "We all agree after these difficult talks on a common approach to the problem. . . . An agreement is attainable."

A nearly identical statement from the French Foreign Ministry, issued after 20 hours of intense negotiations, also noted "considerable progress."

The European delegation -- with members from Britain, France and Germany -- and the Iranians will consult with officials in their capitals over the next few days and then provide formal responses. No further meetings are envisioned, the Iranian envoy said. European envoys stressed that Iran must answer by the time the International Atomic Energy Agency takes the issue up Nov. 25.

The Europeans are trying to persuade Iran to suspend its uranium enrichment program indefinitely as a way to ensure that it does not use the technology to produce a nuclear weapon. Iran has insisted that the suspension be no longer than six months and on assurances that it would not be asked to permanently revoke its right to have a nuclear energy program, according to European envoys.

Iran has said its uranium enrichment facility is part of a peaceful nuclear fuel program. But the scale of its efforts, conducted in secret over 18 years, has left U.S., European and Israeli officials suspicious that Iran is ultimately seeking to produce a nuclear weapon.

The Europeans have offered Iran diplomatic and economic incentives to suspend nuclear work that could lead to producing a bomb. If no agreement is reached, the Europeans will join the United States in referring Iran to the U.N. Security Council, which could impose economic sanctions.

Throughout the negotiations, the Europeans have faced pressure from the Bush administration, which has made clear its preference to take the issue to the Security Council.

China signaled Saturday that it opposed any U.S. effort to take Iran to the council, a potential blow to the Bush administration's goal of pressuring Iran.

The Chinese foreign minister, Li Zhaoxing, on a two-day visit to Iran, said at a news conference in Tehran that he had informed Secretary of State Colin L. Powell and British Foreign Secretary Jack Straw that confronting Iran at the United Nations would complicate efforts to find a solution.

China, which last month signed a multibillion-dollar gas deal with Iran, instead wants the issue settled at a lower level by the International Atomic Energy Agency, the U.N. nuclear watchdog, Li said.

"I told all my colleagues that China supports a solution to this issue within the framework of the International Atomic Energy Agency," Li told reporters. Taking it to the Security Council "would only make the issue more complicated and difficult to work out," he said.

China, one of five members of the Security Council that wield veto power, holds a critical card in the looming debate about Iran's nuclear program. Iran and China have developed increasingly close ties, and China now receives about 17 percent of its oil from Iran and is rapidly becoming one of its largest trading partners.

Guardian

### **Tehran agrees to nuclear freeze**

Ian Traynor and Kasra Naji – 8 November 2004

The European powers secured a pledge from Iran at the weekend that Tehran would halt its uranium enrichment programme within weeks, an agreement that may avert a showdown later this month between Iran and the west.

But the agreement, reached after a marathon round of negotiations in Paris between Iran and the EU troika of Britain, France, and Germany, looks unlikely to satisfy Washington and may yet fall apart.

In the third round of talks in a fortnight, it was agreed that Tehran would suspend its entire enrichment programme until a final "grand bargain" is struck between Iran and the EU, with the EU guaranteeing nuclear, political, and trade concessions to Iran in return for it abandoning its domestic uranium enrichment, the process which could deliver fissile material for warheads.

The Paris agreement represented a partial victory for the EU. Tehran has balked at insistence on "indefinite" suspension of uranium enrichment, while the Europeans demanded the indefinite freeze until "an acceptable long-term agreement" was reached.

The weekend deal, though, remains a halfway measure for the Europeans and the Americans. The three-page proposal from the EU demands that Iran should "cease to develop or operate facilities which would give it the capacity to produce fissile material, including any enrichment or reprocessing capability".

That would strip Iran of any nuclear bomb-building capacity. It is unlikely that it will agree. But European diplomats say Iran is being offered a good deal.

Tehran, by contrast, insists on its right under international treaties to develop its nuclear industry for civil purposes.

The issue is touted as one of the biggest problems for George Bush's second term.

If the Iranians have not stopped their enrichment activities by November 25, when the board of the International Atomic Energy Agency meets in Vienna, the EU troika are likely to back Washington in taking the crisis to the UN security council in New York, which could entail sanctions on Iran.

The weekend agreement may have done enough to prevent resorting to the security council. But the brinkmanship looks likely to continue. Observers in Vienna expect a strengthened Bush administration to get tougher on Iran and be less happy with European efforts to find a settlement.

Hussein Mousavian, the chief Iranian negotiator in Paris, told Iranian television yesterday that the terms agreed still had to be endorsed by the national leadership.

"If the agreement is not approved, then the talks will have failed. But I am not pessimistic," Mr Mousavian said.

The parliament in Tehran, having rushed through a bill compelling the country to press on with uranium enrichment last week, is expected this week to add a conciliatory note with a bill renouncing nuclear weapons.

Just as the talks reached a critical stage in Paris, in Tehran the visiting Chinese foreign minister, Li Zhaoxing, told Iranian leaders his country would oppose a move to refer Iran to the security council.

Mr Li talked to the British foreign secretary, Jack Straw, and the US secretary of state, Colin Powell before flying to Tehran where he told a press conference that Iran had cooperated well with the IAEA and that referring it to the UN would only complicate matters.

Reuters

### **Iran Says Will Retaliate if Nuclear Plants Hit**

by Amir Paivar - 8 November 2004

TEHRAN (Reuters) - Iran threatened on Monday to strike back at Israel or any other country that attacked its nuclear facilities.

U.S. and Israeli officials accuse Iran of seeking to develop atomic bombs under cover of a civilian nuclear program. Iran denies the charges saying it only intends to produce electricity from nuclear power plants.

"If Israel or any other country attacks any site in Iran, we know no limits to threaten their interests," Deputy Revolutionary Guards Commander Mohammad-Baqer Zolqadr said.

"That means anywhere in the world, within their borders or outside it," he told reporters on Monday on the sidelines of an anti-U.S. conference in Tehran.

Israeli warplanes successfully destroyed the Osirak nuclear reactor in Iraq in 1981. Iran has stationed anti-aircraft batteries around its nuclear plants and built many of its facilities underground.

Iranian officials have also warned they can strike back at Israel with its medium-range Shahab-3 missile, which can also hit U.S. military bases in the Gulf.

Zolqadr denied Iran was developing nuclear weapons, saying the Islamic state preferred to rely on a volunteer militia force, which he said numbered 10 million, to defend the country.

Earlier the commander addressed high-school students at a conference entitled "The World Without America."

"The world without America is a world without oppression, without terror, without invasion, without massacre," he said in a speech that cataloged U.S. "crimes" ranging from the massacre of native Americans to the atom bomb on Hiroshima.

A video clip played for the audience showed gruesome pictures of injured children lying in hospital beds in Iraq, which U.S.-led forces invaded last year.

Zolqadr said an Iraq-style invasion of Iran was out of the question thanks to Iran's growing military might.

"We have assessed the American armed forces in the wars of Iraq and Afghanistan ... they are not unknown or mystical to us any more," he told reporters after his speech.

Iranian and EU officials said on Sunday a deal had been struck between Iran, Britain, Germany and France after two days of talks in Paris that could see Tehran avert U.N. Security Council sanctions over its disputed nuclear program.

#### Associated Press

### **IAEA Welcomes Iran-Europe Nuclear Deal**

by Ali Akbar Dareini – 8 November 2004

TEHRAN, Iran - The head of the International Atomic Energy Agency on Monday said that a preliminary agreement between Iran and the European Union's three big powers over Tehran's nuclear program was a "step in the right direction."

Mohamed ElBaradei, director general of the Vienna-based U.N. agency, said he hoped the agreement will be made official in the coming days.

The preliminary agreement was worked out in Paris with Britain, France and Germany, chief Iranian negotiator Hossein Mousavian told state-run Iranian television on Sunday.

If approved, the deal would be a major breakthrough after months of threats and negotiations. It could spare Iran from being taken before the U.N. Security Council, where the United States has warned it would seek economic sanctions unless Tehran gives up all uranium enrichment activities, a technology that can produce nuclear fuel or atomic weapons.

"I would hope that this would lead to the desired outcome, which is Iran to suspend both its enrichment and reprocessing related activities and open the way for normalization of Iran's relations with the international community," said ElBaradei speaking from a conference on nuclear security in Australia.

Meanwhile, Iranian lawmakers "are collecting support for a draft bill banning the production of nuclear weapons," legislator Mohmoud Mohammadi told The Associated Press.

Mohammadi said the bill could be presented to the parliament next week. He said the draft was prompted by a religious verdict by Iran's supreme leader, Ayatollah Ali Khamenei.

Khamenei, who has the final say on all state matters, has said that production, stockpiling and using nuclear weapons was un-Islamic and against human interests.

"Ayatollah Khamenei's verdict is clear," Mohammadi said. "So why not make the production of nuclear weapons illegal under Iranian law?"

In proposals to Iran last month, Britain, Germany and France offered a trade deal and peaceful nuclear technology — including a light-water research reactor — if Iran pledged to indefinitely suspend uranium enrichment and related activities such as reprocessing uranium and building centrifuges used to enrich it.



Europe and Washington fear Iran is trying to build nuclear weapons, but Tehran denies such claims, saying its atomic program has peaceful aims, including energy production.

"We had 22 hours of negotiations ... They were very difficult and complicated negotiations but we reached a preliminary agreement at the expert level," Mousavian said. He said the four countries must now ask their governments to approve the accord.

The preliminary agreement appeared to mark a dramatic breakthrough, since Iranian officials have resisted indefinite or long-term suspension of nuclear enrichment, a process that Iran is permitted to pursue under the Nuclear Nonproliferation Treaty, which Tehran has signed.

While not being in breach of the treaty, Iran is under heavy international pressure to drop such plans as a good faith gesture.

"If this is approved by all four parties, we will witness an important change in Iran's relations with Europe and much of the international community in (the) not-too-distant future," Mousavian said. He didn't elaborate on the agreement.

The Europeans had warned Iran that they will back Washington's threat to refer the Islamic republic to the Security Council for possible sanctions unless it gives up all uranium enrichment activities before a Nov. 25 IAEA meeting.

Tehran suspended uranium enrichment last year but has refused to stop other related activities such as reprocessing uranium or building centrifuges, insisting its program is intended purely for the production of fuel for nuclear power generation.

New York Times

### **Iran Claims Draft Accord With Europe on Uranium**

by Elaine Sciolino – 9 November 2004

PARIS, Nov. 8 - Foreign Minister Kamal Kharrazi of Iran on Monday praised the outcome of weekend talks with European negotiators, saying that a preliminary agreement had been reached to suspend Iran's production of enriched uranium immediately. But he emphasized that any suspension would be only temporary.

"We hope that the deal between Iran and Europeans can be finalized and create necessary confidence," Mr. Kharrazi said of the 22 hours of difficult negotiations in Paris on Friday and Saturday between an Iranian delegation and senior officials of France, Germany, Britain and the European Union.

But, he added, "The talk is about continuing the suspension for a short period to build confidence."

Paradoxically, Mr. Kharrazi and his negotiator in Paris, Hussein Mousavian, were more optimistic in public than the Europeans in describing the negotiations. The two Iranians described the result as a "preliminary agreement," while all of the European participants said only that "considerable progress" had been made toward a "preliminary agreement."

That seems to indicate the desire of the Iranian officials to push the agreement through Iran's murky political leadership, where agreement is universal that Iran has the right to produce enriched uranium and must not agree to a permanent ban.

Mr. Kharrazi's comments in Tehran to state-run television underscored the fact that the Europeans had given in on the issue of whether Iran's suspension of uranium enrichment would be permanent, European officials said. But the Europeans also resisted Iran's demand that the suspension last only six months, the officials added.

Instead, the suspension will continue only as long as Iran and the Europeans are involved in negotiations for a comprehensive package of rewards for Iran in exchange for a suspension of its production of enriched uranium, which can be used in civilian and military nuclear programs.

The Iranian side is studying a draft agreement that was discussed over the weekend, and European officials said areas of disagreement between the two sides remained when the talks broke up.

But the Iranians have made clear in public statements before and after the negotiations that they want a deal.

If a deal is in place by the time the 35 countries that make up the leadership of the International Atomic Energy Agency, the United Nations nuclear watchdog agency, meet Nov. 25 in Vienna, it will block a move by the United States to send the Iran problem to the Security Council for possible penalties.

In Brussels on Monday, Javier Solana, the European Union's foreign policy chief, said an agreement would make referring Iran to the Security Council unnecessary. "I think if we get an agreement we will not see any reason why," he told Reuters.

In Australia on Monday, the director general of the International Atomic Energy Agency, Dr. Mohamed ElBaradei, called the agreement "a step in the right direction," adding that he hoped that a deal would be

completed in "the next few days" and that it would lead Iran to suspend its nuclear enrichment and reprocessing programs.

Mr. Kharrazi's call for the need to "build confidence" is code for the Iranian demand that it be given a package of rewards as proof that it is not suspending its enrichment program and getting nothing in return.

Among the incentives proposed to Iran by the Europeans were the reaffirmation of Iran's right to a nuclear energy program for peaceful purposes; support in Iran's acquisition of a light water research reactor; resumption of talks on a trade agreement between the European Union and Iran; support for Iran's membership in the World Trade Organization; continuation of a policy defining as a terrorist organization the Iranian opposition group known as Mujahedeen Khalq ; access to imported nuclear fuel at market prices for Iran's reactors; and help with regional security concerns, including combating drug trafficking.

In Iran on Monday, the hard-line daily Jomhuri-e-Eslami denounced the talks on its front page and criticized the Iranian negotiators who conducted them.

"Despite the fact that the Europeans cannot be trusted has been proven to all, unfortunately these people have again reached agreement with these three traitor European countries," the newspaper said.

In October 2003, Iran and the same three of European countries reached agreement in Tehran for Iran to suspend uranium enrichment and to accept stricter international inspections of its nuclear sites. But Iran violated the agreement this year, charging that the Europeans had reneged on their promises of economic and political incentives.

## Reuters

### **UN Awaits Iran Uranium Suspension Letter-Diplomats**

By Louis Charbonneau - 9 November 2004

VIENNA (Reuters) - Iran must tell the United Nations nuclear watchdog in writing that it will suspend its uranium enrichment program from a specific date to help it avoid sanctions, Western diplomats said on Tuesday.

France, Britain and Germany reached a tentative deal with Tehran on freezing enrichment activities during talks in Paris over the weekend. Diplomats close to the talks said the deal should be formally announced on Tuesday or Wednesday.

"Iran needs to send a letter to the (International Atomic Energy Agency) stating that it will suspend enrichment on such-and-such a date," a Western diplomat who follows the IAEA in Vienna told Reuters.

"Iran has been told that the IAEA needs this letter by tomorrow (Wednesday) if it is going to be in the report," the diplomat said, referring to IAEA chief Mohamed ElBaradei's progress report on Iran inspections. Several Vienna-based diplomats said ElBaradei had promised Tehran a positive report if a series of talks between the European Union's "big three" states aimed at freezing Iran's controversial uranium enrichment program went well.

The combination of a positive IAEA report and verified suspension of all activities related to uranium enrichment, a process of purifying fuel for use in nuclear power plants or weapons, would guarantee that Iran would escape a referral to the U.N. Security Council this month, diplomats say.

It would also give British Prime Minister Tony Blair a positive message to take to talks with re-elected President Bush on Thursday and Friday. That would strengthen Europe's hand in urging the United States to engage with Iran.

Washington, which accuses Iran of developing nuclear weapons under cover of an atomic energy program, wants Tehran reported to the U.N. Security Council for hiding its enrichment program for 18 years. Iran denies wanting nuclear weapons.

### **Don Quixote**

One European diplomat close to the negotiations said there had been a flow of exchanges between the three EU capitals and Tehran since the latest round of talks ended on Saturday.

Among issues still being discussed were the wording of the duration of the suspension and the scope of activities to be halted while Iran and the EU open talks on a wide range of political and economic benefits.

Another EU diplomat said if Iran accepted the deal, the United States would be unlikely to push for the IAEA board to refer the Iranian program to the Security Council on Nov. 25.

"The U.S. is quote aware of the odds of getting a referral if we have an agreement. It won't play Don Quixote," he said.

In Washington, White House Spokesman Scot McClellan said Iran needs to "fully comply with its international commitments."

"If they do not comply, we think that it is a matter that needs to be taken up at the next meeting of the International Atomic Energy Agency later this month and referred to the Security Council," McClellan said. British Foreign Secretary Jack Straw told parliament he hoped Tehran would agree to the deal. The Europeans aim to move from a suspension to a termination of Iran's enrichment ability, but Tehran has ruled out anything but a temporary halt.

Once a start date for the suspension has been set, the IAEA will send inspectors to all sites linked to Iran's enrichment program to verify implementation of the freeze.

"The IAEA would need to have people in place the day they begin the suspension," said one diplomat.

Verification of the suspension could come very quickly, though the installation of monitoring cameras and sealing of equipment and facilities would take some time, diplomats said.

## Reuters

### **War Not an Option Against Iran - Germany's Fischer**

10 November 2004

BERLIN (Reuters) - War is not an option against Iran and no one expects the standoff over Iran's nuclear program to lead to an "Iraq-like confrontation," German Foreign Minister Joschka Fischer was quoted as saying on Wednesday.

But Fischer added in an interview with Germany's Stern magazine there were "deep concerns" about Iran's nuclear and missile programs, saying the acquisition of nuclear weapons would pose a grave threat to the region and Europe.

The European Union's "Big Three" -- Germany, France and Britain -- have struggled for more than a year to persuade Iran to give up its enrichment program, which Washington believes will be used to produce fissile uranium for nuclear weapons.

"I don't see that we're immediately heading for an Iraq-like confrontation," Fischer said. "I believe that it's clear to all parties involved that war is not an option."

British Foreign Secretary Jack Straw has also ruled out this week that the United States was preparing to resolve the standoff with military force.

The United States, which accuses Iran of developing nuclear weapons under cover of an atomic energy program, wants Iran reported to the U.N. Security Council for hiding its enrichment program for 18 years.

Iran denies wanting nuclear weapons and says its nuclear ambitions are limited to the peaceful generation of electricity. "A military nuclearization of Iran would have unforeseen consequences in one of the most dangerous regions of the world. That would not only threaten Israel but also Europe," Fischer said.

## Reuters

### **EU takes tough stand on Iran nuke freeze-diplomats**

by Louis Charbonneau – 11 November 2004

VIENNA, Nov 11 (Reuters) - Iran has told France, Britain and Germany it wants more than promises of future benefits if it suspends its controversial uranium enrichment programme, but the Europeans have refused, Western diplomats said on Thursday.

The European Union's "big three" states reached a tentative deal with Iran in Paris last weekend under which Iran would halt an enrichment programme, which could be used to make nuclear weapons, in exchange for political and economic incentives.

However, the Iranians are pushing for something tangible up front, not just promises of future "carrots", diplomats familiar with the negotiations told Reuters.

"Iran wants something up front if it's going to suspend enrichment, not just promises. But the Europeans have refused," a diplomat said.

The Europeans have promised Iran a light-water nuclear reactor, which would be more difficult to use for weapons activity than heavy-water reactors. They have also agreed to open trade talks with the EU and thaw political relations.

The EU-Iran arrangement is similar to a deal the United States worked out with North Korea in the early 1990s, exchanging heavy-water for light-water technology while the U.N. nuclear watchdog, the International Atomic Energy Agency (IAEA), supervised a freeze of its nuclear programme.

But diplomats said French and German companies told their governments they would not be interested in supplying Iran with a reactor in case it harmed business with the United States.

An Iranian source close to internal discussions on whether or not to accept the deal said, however, Tehran would probably agree to it.

"The talks are very difficult but there is a more than 50 percent chance that the high-ranking Iranian officials will agree to accept it," a source close to the talks told Reuters.

Oil-rich Iran denies wanting nuclear technology for anything besides power generation.

### **Time running out**

Another diplomat said time was running out for Iran to accept the deal, which would enable Iran to escape a referral to the U.N. Security Council when the board of governors of the International Atomic Energy Agency (IAEA) meets on Nov. 25.

"Basically, the situation remains unchanged. We're waiting for them to make their minds up," a diplomat from one of the three European states told Reuters.

If Iran rejects the deal, it will most likely be referred to the Security Council this month, diplomats say.

Washington, which says Iran's nuclear energy programme is a front for developing the bomb, wants Iran reported to the Security Council for concealing its uranium enrichment programme from the IAEA for nearly two decades. A Security Council referral could eventually lead to economic sanctions, though few members of the 15-nation council would support an embargo of Iranian oil now, given the high price of oil on global markets, diplomats say.

One of the sticking points in the talks with Iran concerns the preparation of uranium for the enrichment process. The Europeans want all uranium conversion activities halted, while Tehran wants to continue with some conversion work.

## Global Security Newswire

### **U.S. Experts Offer Mixed Opinions on Potential Iran-European Deal**

by David Ruppe – 11 November 2004

WASHINGTON — A potential deal between three major European countries and Iran to suspend uranium enrichment activities in exchange for economic benefits is a key step in negotiations over Tehran's nuclear program, but Washington must become involved ultimately to resolve the dispute, U.S. experts said yesterday.

Such a deal is the most promising approach available for ending Iran's suspected pursuit of a nuclear weapons capability, said Robert Einhorn, a senior adviser at the Center for Strategic and International Studies and former senior Clinton administration official.

"For me, the negotiated solution seems the best of available options," he said, of a preliminary agreement announced by Iran this week with the United Kingdom, France and Germany, collectively dubbed the EU 3. Inadequate intelligence on the location of Iranian nuclear facilities would block military strikes, Einhorn said, and "regime change in my view is wishful thinking and not a strategy."

Suspension of Iran's uranium enrichment could become a positive first step toward negotiations resulting in a strategic decision by Iran to abandon suspected pursuit of nuclear weapons, Einhorn said, speaking at a televised "Workshop on Iran's Nuclear Program," hosted by the Woodrow Wilson International Center for Scholars and the Hoover Institution of Stanford University.

It would "have to remain in place until an acceptable long-term solution to the issue was reached," he said.

Persuading Iran to abandon pursuit of nuclear weapons, however, in the end would require bringing the United States to the negotiating table to conclude a deal that would allow Iran to maintain some form of civil nuclear energy program and lead to better relations, Einhorn said.

While Iraqi WMD capabilities primarily motivated the Iranian nuclear weapons program during the 1980s, "now the chief security factor motivating Iran's nuclear weapons [program] ... I think is the perceived military and political threat coming from the United States," he said.

"In [the] absence of improvement in U.S.-Iran bilateral relations, I think it's hard to imagine Iran genuinely [being] willing to make that strategic decision to give up nuclear weapons," he said.

Larry Diamond, a senior fellow at the Hoover Institution, praised the approach outlined by Einhorn as "the most realistic and hopeful scenario, with a combination of carrots and sticks and global negotiations, for holding the line that I think anyone has articulated frankly."

### **The Proposed Deal**

The European proposal would be conducted in two phases, according to Einhorn: interim suspension of Iranian enrichment and other fuel-cycle activities, verified by the International Atomic Energy Agency, and negotiations toward a permanent deal to end Iranian fuel-cycle work.

In exchange, the three nations would not refer the matter of Iranian activities to the U.N. Security Council and would resume talks on a trade agreement.

Iran, on the other hand, presumably would like to pursue enrichment and other fuel-cycle activities under IAEA verification, Einhorn said.

“So to induce the Iranians to change that view and come to terms with a permanent ban, the EU 3 are prepared to ... recognize Iran’s right to have a nuclear power program, support Russia’s completion of the Bushehr nuclear power reactor, provide an assurance that Iran would have guaranteed access at market prices to reactor fuel supplies, and not object to Iran’s acquisition of a light-water nuclear research reactor,” he said. Also, the countries would engage in enhanced cooperation with Iran over economic issues, engage in a political and security dialogue, and support its membership in the World Trade Organization, he said.

### **Iran Buying Time, Skeptics Say**

Some experts attending the workshop expressed skepticism that Iran could be convinced to abandon its suspected pursuit of nuclear weapons and said Tehran may be seeking to buy time and avoid a major confrontation over its activities as it works toward a capability.

Estimates for an Iranian nuclear weapons capability ranged from one to four years, according to Henry Sokolski, executive director of the Nonproliferation Policy Education Center, to three to five years, according to David Albright, president of the Institute for Science and International Security.

“If we conclude that this latest EU deal is going to be airtight and the Iranians will not find some way to challenge some of the interpretations or find loopholes then I think we are being a little bit naive,” said Greg Giles, a senior director with Hicks and Associates, speaking from the audience.

Agreeing to the suspension could help Iran covertly move toward a nuclear capability unchecked, he said. “You’re running the risk of really playing into the hands of a determined cabal that really wants nuclear weapons.”

Sokolski said that if Iran were permitted to possess light-water reactors under construction with Russian assistance at Bushehr — as is proposed in the potential deal — it could divert lightly enriched uranium for production of nuclear weapons.

“The [non]proliferation advantages of light-water reactors I don’t think are as clear cut as our diplomats have argued over the years,” he said, citing a study published by his center last month.

“The conclusions of this study were that we need to kind of reassess light-water reactors in making international deals, particularly with countries that are troublesome,” he said.

However, a higher standard of international monitoring measures could be imposed, such as real time human and camera surveillance of storage areas for the fresh and spent fuel at light-water reactors, Sokolski said.

Einhorn said he believed Iran would continue to pursue nuclear weapons clandestinely, even during a suspension of acknowledged uranium enrichment activities.

He said though, a suspension could “make it much more difficult to pursue a covert program without detection,” by eliminating a legitimate justification for seeking nuclear technology on the international market, while negotiations on an end to such activities take place.

Most of the experts agreed that the United States would need to be a part of any deal involving Iranian renunciation of nuclear weapons.

So far, however, the administration “has essentially rejected idea of direct negotiations with the Iranians,” said Geoffrey Kemp, director of regional and strategic programs at the Nixon Center.

“At this point in time, the U.S. government has outsourced policy on Iranian nuclear issues to the European Union because of good luck in the Bush administration and a hell of a mess in Iraq,” he said.

“If [we’re] really serious about nonproliferation, then we need to engage with regimes we don’t like,” Einhorn said.

### AFP

#### **Iran gives response to EU pressure on nuclear activities: France**

12 November 2004

PARIS (AFP) - Iran has given a response to EU pressure for it to suspend uranium enrichment, the French foreign ministry said.

Iranian authorities delivered their reply late Thursday to Britain, France and Germany and to EU high representative Javier Solana late Thursday, the ministry said without divulging its contents.

"We are in the process of analysing the elements of the response," ministry spokesman Herve Ladsous said.

The three EU countries have pushed Iran to accept a suspension in order to head off possible UN sanctions.

The International Atomic Energy Agency (IAEA) is poised to contact the UN Security Council over Iran's nuclear activities.

The United States, which has a permanent seat on the council, charges that Tehran is secretly developing nuclear weapons.

The IAEA was scheduled to put out an official report on Iran's activities on Friday or Saturday, roughly two weeks before the UN agency's 35-nation board of governors meets in Vienna November 25 to consider the Iranian issue.

Ali Akbar Nateq Nuri, the top advisor to Iran's supreme leader Ayatollah Ali Khamenei, said in his Friday prayer sermon in Tehran that the Islamic republic planned to resist what he called unfair pressure from Europe.

"They tell us to suspend enrichment, but it is none of your business," said Nateq Nuri, noting that fuel cycle work was permitted under the nuclear Non-Proliferation Treaty (NPT).

Iran's student news agency ISNA quoted an unidentified official close to the negotiations as saying: "Iran gave its response to the Europeans last night (Thursday). There will not be any more negotiations in Tehran because the Europeans must now decide on the Iranian response."

He added: "They have to examine the Iranian response in their capitals, which could take a day or a week."

In return for Iran agreeing to curb its nuclear ambitions, Europe's three major powers have offered civilian nuclear technology, including access to nuclear fuel, increased trade and help with Tehran's regional security concerns.

## Reuters

### **Iran Says EU Nuke Negotiations in Final Stages**

By Paul Hughes - 13 November 2004

TEHRAN (Reuters) - Iran's negotiations with the European Union over a deal which would spare Tehran from possible U.N. sanctions over its nuclear program are in their final stages, Iran said Saturday.

"Negotiations with Europe were intense and important and... they are in their final stages," Foreign Minister Kamal Kharrazi told state television. "We have given them our final response and await their final decision and we hope to pass this stage smoothly."

Iran and the European Union's big three powers -- Britain, Germany and France -- have been negotiating a deal for the past few weeks under which Tehran would agree to freeze sensitive nuclear work such as uranium enrichment.

In return, the EU would not support U.S. calls for Iran's case to be sent to the U.N. Security Council for possible sanctions and would sit down with Iran to work out a lasting solution to the nuclear dispute.

Iran insists its nuclear ambitions are limited to generating electricity from atomic power plants, not making bombs.

Tehran gave its response to the EU deal Thursday but there has been no announcement yet of a final agreement. EU diplomats say Iran has been trying to change some of the terms of the deal, including the scope of the enrichment suspension.

President Bush, who has labeled Iran an "axis of evil" member, Friday gave public backing to the EU initiative to try to resolve the dispute through talks.

"We don't want Iran to have a nuclear weapon and we're working toward that end," Bush said at a joint news conference with British Prime Minister Tony Blair at the White House.

"And the truth of the matter is the prime minister gets a lot of credit for working with France and Germany to convince the Iranians to get rid of the processes that would enable them to develop a nuclear weapon."

### **IAEA report delayed again**

The IAEA has delayed release of its of eagerly-awaited report summarizing its two-year investigation of Iran to give the EU and Iran a chance to come to a final agreement.

"The stakes are very high on both sides," a Vienna-based Western diplomat who follows IAEA issues very closely told Reuters. The report was originally due Friday but will not likely reach Vienna diplomats until early next week.

The suspension of enrichment was demanded by the IAEA board of governors in September. Although the IAEA resolution called for an immediate freeze of all enrichment-related activities, Iran has continued producing centrifuge parts.

"They now have enough parts for 1100 to 1200 centrifuges," said one diplomat, adding that this was enough to make enough highly-enriched uranium for a weapon in two to three years.

Diplomats said IAEA chief Mohamed ElBaradei had told the Iranians that if the results of their negotiations with the EU were positive, he would be able to present a relatively upbeat report to the agency's 35-member board on Nov. 25.

Unlike previous reports, which were technical updates about the investigation, this report will cover the entire probe.

Diplomats said that ElBaradei plans to say that while he has found no evidence Tehran diverted resources or materials to a weapons program, Iran's nuclear fuel production capabilities are suspiciously far ahead of the rest of its atomic program.

Kharrazi said it was time for Iran's case to be closed.

"We have done all we could to cooperate with the agency. Most of the questions are addressed now. There is nothing more Iran can do... We think it is time to close Iran's case with the agency," he said.

AFP

### **UN atomic agency puts off report again as Iran-EU nuclear deal threatened**

13 November 2004

VIENNA (AFP) - The UN atomic agency has postponed until Monday releasing a landmark report on Iran's nuclear program as EU officials pursue talks to save a deal for the Islamic Republic to suspend uranium enrichment and avoid possible UN sanctions, diplomats said.

The International Atomic Energy Agency (IAEA) on Saturday postponed for a second time in the week the release of the report to give Iran more time to hand over a letter officials hope will announce a halt in uranium enrichment, a key process that makes nuclear fuel but also the explosive core for atomic bombs, diplomats said.

The letter could then be included in the report for an IAEA meeting in Vienna on November 25 that will consider US charges that Iran is secretly developing nuclear weapons.

The comprehensive report is to sum up the IAEA's investigation of Iran's nuclear program since February 2003 in order to allow the agency's 35-nation board of governors to decide whether Iran is violating international safeguards against the proliferation of nuclear weapons.

Britain, France and Germany are trying to strike a deal for Iran to suspend all uranium enrichment activities so that the IAEA will not, as Washington wants, send the dossier to the UN Security Council, which can impose punishing sanctions.

But the European trio has said they will back the US hard-line if Iran fails to tell the IAEA that it agrees to full suspension of uranium enrichment.

Iran has since October 2003 suspended the actual enrichment of uranium as a confidence-building measure but not support activities such as making the feed gas and manufacturing centrifuges.

"It's a difficult situation," a Vienna-based diplomat close to the talks told AFP, saying however that European diplomats were "confident the hurdles will be overcome."

The diplomat said Iran was not only haggling over the extent of the enrichment suspension but seeking "assurances that are difficult to grant" such as a promise that the IAEA will drop its almost two-year-long special investigation of Iran's nuclear program.

"The European trio is not in a position to guarantee what the 35-nation board will do November 25," said the diplomat, who asked not to be named.

A Western diplomat said the EU, led in the talks by Britain, France and Germany, may reject Tehran's response.

The European trio were "debating internally whether to send Iran a point-by-point refutation of their reply, or to tell Iran that it must sign the agreement as is without 'side understandings'," the Western diplomat told AFP, referring to a tentative accord worked out in Paris last week.

Iranian officials handed their reply late Thursday on the proposed deal to the three countries and to Javier Solana, the European Union's foreign policy chief, the French foreign ministry said.

Iran insisted Saturday it had gone as far as it could.

"We did our utmost to cooperate with the agency and build the needed confidence. Iran can take no further measures," Foreign Minister Kamal Kharrazi said.

"The two sides were able to work out a joint proposal and the Iranian side has submitted its decision. Now it is the turn of the Europeans to submit theirs," Kharrazi was quoted as saying by the official IRNA news agency.

"The time is ripe to close Iran's case," Kharrazi said.

The EU is seeking a suspension of all uranium enrichment-related activities until a long-term agreement is reached.

In return, Europe is offering Iran civilian nuclear technology, including a light-water reactor and access to nuclear fuel, increased trade and help with Tehran's regional security concerns.

Iran wants the incentives to be delivered before a long-term agreement is concluded and also for suspension to be limited to six months and for certain enrichment activities to still be allowed, diplomats said.

A diplomat said that while the Iranians were willing to suspend making the uranium hexafluoride (U6) gas that is the feedstock for enrichment, they wanted to continue making pre-products for the feedstock, namely U4 gas and yellowcake uranium ore.

Reuters

### **Iran to Announce Decision on EU Nuclear Deal -Report**

14 November 2004

TEHRAN (Reuters) - Iran will announce its final decision later on Sunday on an EU proposal that it freeze sensitive nuclear work in return for avoiding referral to the U.N. Security Council for possible sanctions, local news agencies reported.

The semi-official Mehr and ISNA news agencies, citing informed Iranian sources, said Hassan Rohani, secretary of Iran's Supreme National Security Council, would deliver Iran's answer to the ambassadors of Britain, Germany and France. The reports gave no indication of what Iran's response to the European Union proposal would be. Diplomats say Iran must formally announce that it has decided to suspend potentially weapons-related nuclear activities, such as uranium enrichment, on Sunday if the IAEA, the U.N. nuclear watchdog, is to include this in a key report on Iran's nuclear program due to be released on Monday.

Iran, which denies U.S. accusations that it is secretly building nuclear weapons, had been expected to announce the suspension last week.

But negotiations ran into problems when Iran objected to the scope of the suspension the EU was demanding, diplomats say. The EU wants Iran to freeze all nuclear fuel cycle work but Iran wants to continue the early stages of uranium conversion.

The EU has warned Iran that it will back U.S. calls for Iran's case to be sent to the U.N. Security Council for possible sanctions if the suspension is not in place before the Nov. 25 board meeting of the International Atomic Energy Agency.

Reuters

### **Iran Agrees to Full Nuclear Enrichment Freeze**

by Parisa Hafezi and Louis Charbonneau - 14 November 2004

TEHRAN/VIENNA (Reuters) - Iran pledged on Sunday to suspend its uranium enrichment program to ease concerns that its nuclear program is aimed at developing weapons, but warned that the freeze was only temporary.

Hassan Rohani, Iran's chief nuclear negotiator, said the suspension would remain in place as long as talks with the EU continued on a final resolution of the issue. "One hour ago we submitted a letter to the IAEA," Rohani told reporters after a meeting in Tehran with the ambassadors of Britain, Germany and France, which have been negotiating with Iran for several weeks on behalf of the European Union.

Receipt of the letter by the International Atomic Energy Agency, the United Nations' nuclear watchdog, makes the scope and starting date of the suspension legally binding.

Iran's U.N. ambassador, Pirooz Hosseini, declined to say when the freeze would take effect. "Tomorrow we will learn everything," he told Reuters.

A senior EU diplomat close to the talks said Iran had agreed to all points covered in a preliminary agreement hammered out in Paris a week ago. "We have reached a full agreement regarding all the issues mentioned in the package," he said.

Iran, which denies U.S. accusations that it is secretly developing atomic weapons, had held up a final deal by demanding that it be permitted to continue the early stages of uranium conversion. The EU rejected this idea. "The suspension is what the Europeans wanted, a full one," a diplomat close to the IAEA said.

### **Crucial report**

A diplomat close to the IAEA said the arrival of the letter on Sunday meant it would be included in a crucial report, due to be released on Monday, summarizing the IAEA's two-year investigation of Tehran's nuclear program.



Once confirmed by IAEA inspectors on the ground, the freeze is likely to protect Iran from being reported to the U.N. Security Council for possible economic sanctions when the IAEA board of governors meets on Nov. 25.

The "EU Three" have said that, once the suspension begins, they will discuss a package of incentives with Iran -- ranging from cooperation on peaceful nuclear technology to a possible trade deal -- in return for Iran permanently giving up any activities that could be used to make bomb-grade material.

Rohani's deputy Hossein Mousavian told reporters those talks would start on Dec. 15.

However, questions remain, as Iran has continued to insist that it will never give up its "sovereign right" to enrich uranium, even while negotiating with the EU.

"We have accepted the suspension as a voluntary step and it does not create any obligations for us," Rohani's deputy, Hossein Mousavian, told Iranian state television.

Washington, which accuses Iran of using its nuclear power program as a front to develop nuclear weapons, wants the IAEA to refer the case upwards because Tehran concealed a uranium enrichment program for 18 years.

Diplomats in Vienna said that, with a suspension in place, the United States would have only a handful of supporters on the IAEA's 35-member board for such a move.

The White House reacted cautiously to Iran's announcement, saying: "We look forward to a briefing by our European friends."

The IAEA board had demanded in September that Iran freeze its enrichment program. But Tehran has continued producing parts for centrifuges that purify uranium for use in nuclear power plants or weapons.

## BBC News

### **Verdict due on Iran nuclear plans**

15 November 2004

The UN nuclear watchdog is preparing to issue a report on investigations into Iran's nuclear activities.

The report will include an agreement Iran reached with EU states last week to halt uranium enrichment plans.

Iran is facing a 25 November deadline to comply with an International Atomic Energy Agency (IAEA) resolution ordering the suspension.

The agreement to halt enrichment is expected to ward off the threat of UN sanctions, correspondents say.

The IAEA report will cover two decades of what the US views as clandestine nuclear activities aimed at developing the capacity to build nuclear weapons.

### **Sanction threat easing**

IAEA board members from 35 countries will review the report on 25 November before deciding if Iran is in breach of a resolution, passed in September, calling for the suspension of uranium enrichment and related activities.

The US has pushed for the IAEA to refer Iran to the UN Security Council, which has the power to impose sanctions.

The BBC's Bethany Bell in Vienna, where the IAEA is based, says if the European enrichment freeze can be verified over the next few days, the US is unlikely to have enough support to send Iran to the Security Council.

The EU has offered to Iran increased co-operation on trade and energy in exchange for the freeze.

Successful uranium enrichment could be seen as a key stage in the development of weapons-grade nuclear material.

### **Agreement 'temporary'**

On Sunday chief Iranian negotiator Hassan Rohani said the suspension would be in force until a final settlement is reached.

Speaking in Tehran, Mr Rohani said Iran would suspend "almost all" its enrichment activities until a long-term agreement on Iran's nuclear programme is reached.

Talks will begin next month, he added.

Another senior negotiator, Hossain Mousavian, told Iranian state television the agreement was a "confidence-building" move and not a legal obligation.

He stressed that the suspension was temporary, the Associated Press news agency reported.

A deal reached last year between the EU and Iran on a uranium-enrichment freeze later unravelled.

Iran has said it has a legal right to nuclear energy - and in particular to securing their own source of fuel for power stations, rather than being dependent on outsiders.

Los Angeles Times

### **Iran: Nuke Suspension Is Voluntary Measure**

by Ali Akbar Dareini – 15 November 2004

TEHRAN, Iran — Iran said Monday that it was suspending uranium enrichment and related activities briefly, voluntarily and in hopes of building confidence in the world that its nuclear ambitions are peaceful.

Foreign Ministry spokesman Hamid Reza Asefi told reporters the deal announced Sunday was "the best decision under the current circumstances." Iran faces the possibility of being slapped with U.N. Security Council sanctions for a program the United States and others says is aimed at building nuclear weapons.

Iran notified the International Atomic Energy Agency Sunday that it will fully suspend uranium enrichment and related activities. Diplomats at IAEA headquarters in Vienna said Tehran has now agreed to continue freezing enrichment -- the process to make either nuclear fuel or the core for nuclear weapons -- and also to suspend such activities as reprocessing uranium and building centrifuges used to enrich it.

"Iran's acceptance of suspension is a political decision, not an obligation," Asefi said.

Iran's top nuclear negotiator Hasan Rowhani, speaking on state-run television Monday, confirmed Iran notified the IAEA in writing that it has agreed to suspend uranium enrichment and related activities. He said the suspension will last until the completion of negotiations with Europe over Iran's nuclear program.

Asefi told reporters that the negotiations will last for a short period, but he did not elaborate. "Our negotiations with Europe will be for a short period of time to create an atmosphere of confidence," he said. Asefi said the full text of the agreement will be officially released in the capitals of the four countries involved in the negotiations -- Britain, France, Germany and Iran -- later Monday.

The decision is expected to anger extremists within the hard-line camp who have called on the government to ignore international demands and even expand, not limit, nuclear activities.

Asefi tried to allay the concerns of hard-liners Monday.

"We didn't cross the red line at all," Asefi told a press conference. "Our red line was (permanent) cessation, not suspension."

As negotiators for France, Germany and Britain struggled with Iranian counterparts to bridge differences on the weekend, the IAEA had delayed a report by IAEA head Mohamed ElBaradei on Iran's nuclear activities scheduled for limited circulation to diplomats accredited to the agency Friday. A diplomat close to the agency said the report would now be released on Monday.

The IAEA study on nearly two decades of Iranian clandestine activities that the United States asserts is a secret weapons program is being prepared for review by the agency's 35-nation board of governors when they meet Nov. 25.

Based on the report, they will decide on actions that may include possible referral of Iran to the U.N. Security Council, which, in turn, could lead to sanctions. It is believed that the agreement would spare Iran action by the Security Council.

The key dispute that prolonged negotiations between Iran and the Europeans was over the conversion of uranium into gas, which when spun in centrifuges can be enriched to lower levels for producing electricity or processed into high-level, weapons grade uranium, and the length of any suspension.

Iran's top nuclear negotiator, Hossein Mousavian, said late Sunday that Iran has won commitments from Europe in return for agreeing to suspend enrichment.

"We accept suspension as a voluntary measure on the basis of agreement with the European Union," Mousavian said on Iranian state television, emphasizing that his country viewed the decision as a "confidence building" move and not a "legal obligation on Iran's part."

"Europe will support Iran's joining the international group of states possessing the ability to manufacture nuclear fuel" once the suspension ends, Mousavian said.

Washington believes Iran is secretly developing nuclear weapons under cover of a peaceful nuclear program. Iran denies this and has offered to provide guarantees that its program is strictly confined to producing electricity.

IranMania

**EU welcomes Iran nuclear pledge: diplomats**

15 November 2004

LONDON - The European Union welcomes an Iranian pledge to fully suspend uranium enrichment, ending a deadlock over Washington's charges that Tehran is secretly developing nuclear weapons, diplomats said late Sunday.

A formal reaction is expected on Monday from Britain, France and Germany -- the three EU states spearheading the negotiations with Iran -- a European diplomat said, but added that signs were good.

"This is very good news," he told AFP, after the UN's nuclear watchdog, the International Atomic Energy Agency, said it received an official letter from Iran confirming the suspension.

"It opens the way to start a new chapter of relations" between the Iran and the EU, which has sought to remain constructively engaged with Tehran in contrast to the hardline US stance, he added.

He cautioned that the EU still has to digest the details of the agreement, and that London, Paris and Berlin are likely to make a coordinated response along with EU foreign policy chief Javier Solana.

But from initial reports it appears that "the impasse in which we were last week...is over and (the Iranians) fully agree to what has been negotiated," said the diplomat.

In Vienna a source close to the IAEA said Iran has agreed "to implement a full suspension of its uranium enrichment program," the process that makes fuel for nuclear reactors but also the explosive core of atomic bombs.

According to Reuters, the IAEA board had demanded in September that Iran freeze its enrichment programme. But Tehran has continued producing parts for centrifuges that purify uranium for use in nuclear power plants or weapons.

Washington, which accuses Iran of using its nuclear power programme as a front to develop nuclear weapons, wants the IAEA to refer the case upwards because Tehran concealed a uranium enrichment programme for 18 years.

The IAEA is to mention Iran's agreement in a report to be released Monday ahead of a board meeting November 25 that will decide whether to send Iran to the UN Security Council for possible sanctions, as the United States wants.

#### New York Times

### **Europeans Say Iran Agrees to Freeze Uranium Enrichment**

by Elaine Sciolino – 16 November 2004

PARIS, Nov. 15 - France, Britain and Germany announced Monday that they had reached a formal agreement with Iran committing the country to freeze a critical part of its nuclear program in exchange for an array of possible rewards.

Under the complex but limited agreement, intended to prevent Iran from developing nuclear bombs, Tehran has agreed to suspend all of its uranium enrichment and reprocessing activities while it negotiates the benefits it is to receive.

While both sides were relieved to reach an agreement, neither seemed particularly satisfied. Both sides had to make hard concessions, and the pact fell far short of the comprehensive deal the Europeans had hoped for, by which Iran would permanently stop enriching uranium.

Iran is the second largest oil producer in the Organization of Petroleum Exporting Countries, and the announcement of the deal appeared to have calmed fears in the commodities markets, propelling crude oil prices to their lowest levels in almost two months.

"We believe that the conclusion of this agreement can both allow for confidence-building in respect of Iran's nuclear program and represent a significant development in relations between Europe and Iran," Foreign Secretary Jack Straw of Britain said in a written statement. "It is essential now for the agreement to be implemented in full."

In Brussels, Javier Solana, the European Union's senior foreign affairs official, said the deal could open the way for "a solid, long-term agreement" with Iran if there could be "lasting confidence in the peaceful nature of Iran's nuclear program."

Enriched uranium has become a contentious issue because it can be used to make nuclear weapons as well as fuel for nuclear power plants.

The Bush administration reacted cautiously to the announcement, saying top officials wanted to study the agreement's details before endorsing it. But Secretary of State Colin L. Powell said that "we have seen a little bit of progress, hopefully, over the last 24 hours."

Administration officials said conservative hard-liners, most notably John R. Bolton, the under secretary of state for arms control and international security, were highly skeptical that Iran would carry out the accord without cheating. Officials were also said to be concerned that by itself the deal might lead to complacency that the problem of Iran's suspected nuclear arms program was being addressed.

The Europeans were deeply embarrassed after Iran violated a much vaguer agreement to suspend enrichment activities that was reached in Tehran 13 months ago. This time, the Europeans insisted that Iran accept the new agreement as negotiated and rejected Iran's attempts in the last several days to modify it.

In a related development, the United Nations agency that monitors nuclear programs said Iran had informed the agency that it would suspend its uranium enrichment program starting a week from now. That step, which covers verification and monitoring, was a necessary part of the pact with the Europeans.

But the agency, known as the International Atomic Energy Agency, did not totally reject the view of the United States and the three European countries that Iran was trying to develop nuclear weapons, saying it could not rule out covert activities.

"All the declared nuclear material in Iran has been accounted for, and therefore such material is not diverted to prohibited activities," the agency said in a report, referring to possible weapons activity. "The agency is, however, not in a position to conclude that there are no undeclared nuclear materials or activities in Iran."

Under the agreement with the Europeans, there must be "objective guarantees" that Iran's nuclear program "is exclusively for peaceful purposes." In exchange, the Europeans must provide "firm guarantees on nuclear, technological and economic cooperation and firm commitments on security issues."

Specifically, Iran agreed to suspend "the manufacture and import of gas centrifuges and their components," all work on plutonium separation and the construction or operation of any plutonium separation installation, and "all tests or production at any uranium conversion installation."

Last year's agreement said nothing about the production and assembly of centrifuges, which are used to enrich uranium, and when inspectors from the United Nations agency caught Iran building them, the Europeans felt duped.

The agreement also commits both sides to combating terrorist activities, including those of Al Qaeda and the Iranian opposition group known as the People's Mujahedeen.

Once the suspension of enrichment is verified, the European Union will restart negotiations on a trade and cooperation agreement with Iran. It will also "actively support" negotiations for Iran to enter the World Trade Organization, a move that the Bush administration has blocked and can continue to block.

Iran's leadership has steadfastly held to the position that Iran is not engaged in a nuclear weapons program but has the sovereign right to enrich uranium. So as a face-saving gesture, the agreement says Iran's suspension of enrichment activities "is a voluntary confidence-building measure and not a legal obligation."

Hassan Rowhani, Iran's chief negotiator on nuclear issues, reiterated that point in a news conference in Tehran on Monday, calling uranium enrichment "Iran's right," and adding that "Iran will never give up its right to enrich uranium."

He also said the suspension during negotiations for the incentives package "will be a matter of months, not years," an assertion that the Europeans immediately rejected.

"Suspension must remain in force until the I.A.E.A. gives Iran a clean bill of health," said one European official. "If the suspension is lifted the process is deemed to have broken and we, the Europeans, will withdraw and go to the Security Council."

Making concessions on its nuclear program has been widely unpopular inside Iran, and Mr. Rowhani was put on the defensive by conservative Iranian journalists.

When a reporter for the official Islamic Republic News Agency remarked, "The reason Iran has given so many concessions is because the Iranian team was weak," Mr. Rowhani replied that the country's best diplomats had conducted the negotiations and "this is the outcome of our best diplomacy."

Another Iranian journalist cited an interview in an Iranian newspaper that accused Iran of giving "a pearl in exchange for a lollipop."

"That's not true," Mr. Rowhani shot back.

## Reuters

### **UN Partly Clears Iran on Nuclear Issue, Doubts Remain**

By Louis Charbonneau – 16 November 2004

VIENNA (Reuters) - The United Nations said on Monday that, as far as it knew, Iran had not diverted any nuclear materials to a weapons program -- a verdict diplomats said undermined the U.S. case for U.N. sanctions on Tehran.

Even though the U.N. atomic watchdog said it could not rule out covert nuclear activities in Iran, its report, coming a day after Tehran promised France, Britain and Germany that it would freeze its uranium enrichment program, severely weakened Washington's argument.

A Western diplomat close to nuclear talks between Iran and the European Union the two developments meant "the U.S. doesn't stand a chance" of having Iran referred to the U.N. Security Council for sanctions when the U.N. agency meets on Nov. 25,

"All the declared nuclear material in Iran has been accounted for, and therefore such material is not diverted to prohibited activities," Monday's report by the U.N. International Atomic Energy Agency (IAEA) said.

But the IAEA added some caution to this statement by making it clear the case was not closed. "The agency is, however, not in a position to conclude that there are no undeclared nuclear materials or activities in Iran," it said.

The diplomat said it was a "qualified acquittal" of Iran.

In a bid to ease international concern about its atomic ambitions, Iran pledged on Sunday to shut down all activities related to its uranium enrichment program from Nov. 22 under a deal with the EU to avoid sanctions. But it said the freeze would be temporary and only for a short time.

David Albright, a former U.N. weapons inspector and head of a Washington think-tank, said insisting the freeze would be short-lived meant Iran had "not taken a strategic decision to abandon its pursuit of a nuclear weapons capability."

Oil-rich Iran insists its nuclear program is aimed at the peaceful generation of electricity, not at developing nuclear weapons, as the United States alleges.

### **Some pressure off Iran**

Taking further pressure off Iran, the report said IAEA chief Mohamed ElBaradei would only issue future reports on Iran "as appropriate," but would continue to investigate the discovery of traces of enriched uranium found in Iran.

Britain welcomed the enrichment suspension and said the EU and Iran must now work on finding a long-term agreement on Iran's civil nuclear program.

"We believe that the conclusion of this agreement can both allow for confidence-building in respect of Iran's nuclear program and represent a significant development in relations between Europe and Iran," Foreign Secretary Jack Straw said.

Iran's chief nuclear negotiator Hassan Rohani said Tehran would never renounce enrichment, a process of purifying uranium for use as fuel in power plants or weapons, and declared the Europeans had assented to that goal.

He also confirmed what Iran said repeatedly in recent months -- that the suspension would be short-lived and temporary -- though he gave no hints as to when it might be resumed.

The Western diplomat said a freeze was only the first step for the Europeans as negotiations continued.

"We still want Iran's uranium enrichment program terminated," he said.

Albright said if Washington joined forces with the EU to keep pressure on Iran, Tehran would have difficulty "wriggling out of a permanent suspension" of its enrichment program, which would end its ability to produce bomb-grade uranium.

But U.S. hard-liners have refused, insisting Iran is using talks with the EU to avoid the Security Council and to buy time to continue developing the capability to build a bomb in secret.

Outgoing Secretary of State Colin Powell told reporters that he saw "a little bit of progress, hopefully, over the last 24 hours" in light of Tehran's promise to suspend enrichment.

In October 2003, the Iranians and Europeans announced a similar deal on the suspension of Iran's enrichment program.

But within six months it had virtually collapsed as the Iranians continued producing and assembling centrifuges, which purify uranium by spinning at supersonic speeds.

## Guardian

### **UN boost for Iran over nuclear arms**

by Ian Traynor and Kasra Naji – 16 November 2004

The UN's chief nuclear inspector announced yesterday that all of Iran's declared nuclear materials had been accounted for and that nothing, as far as the International Atomic Energy Agency could tell, had been diverted into an illicit bomb programme.

In a confidential 32-page report to diplomats in Vienna, obtained by the Guardian, Mohamed ElBaradei, the IAEA chief, criticised Iran for a litany of "extensive concealment, misleading information and delays" in the dispute over its nuclear programme.

But Iranian conduct had improved markedly in the past 12 months, Dr ElBaradei said. The report, while listing outstanding questions about Iranian nuclear behaviour, was broadly positive and came a day after Iran told the EU and the IAEA that it was freezing all activities connected with uranium enrichment.

The British foreign secretary, Jack Straw, welcomed the commitment to suspend its uranium enrichment, but stressed Tehran must give long-term guarantees that its nuclear programme was peaceful.

"We believe that the conclusion of this agreement can both allow for confidence-building in respect of Iran's nuclear programme and represent a significant development in relations between Europe and Iran," Mr Straw said.

Diplomats following the two-year dispute described the Iranian agreement with the EU troika of Britain, Germany and France as a potential breakthrough. Meanwhile, Iran's chief nuclear negotiator, Hassan Rohani, claimed the suspension of uranium enrichment would be temporary.

The ElBaradei report forms the main topic for a meeting of the IAEA board in Vienna next week at which a showdown had been predicted. Deft Iranian diplomacy and well-timed concessions, however, have averted that since, under the deal with the EU troika, the Europeans have pledged not to refer the dispute to the UN security council, where Iran could face sanctions.

A uranium enrichment programme is the key to obtaining the fissile material for nuclear weapons.

Dr ElBaradei confirmed the Iranian pledge yesterday, reporting that Tehran had sent him a letter committing it "to continue and extend its suspension to include all enrichment related and reprocessing activities."

Iran, long insisting that it has no nuclear weapons programme, had demanded that the issue be taken off the agenda at the IAEA after dominating every board meeting for the past 18 months.

Dr ElBaradei said suspicions remained. "The IAEA is, however, not yet in a position to conclude that there are no undeclared nuclear materials or activities in Iran."

## Tehran Times

### **EU's turn to respond to Iran's goodwill**

16 November 2004

TEHRAN (MNA) -- Hassan Rowhani, the secretary of Iran's Supreme National Security Council (SNSC) and top nuclear negotiator, said on Monday that all Iran's nuclear red lines and principles were specified in the recent Paris agreement.

Rowhani added that the acknowledgment by the European Union that Iran has no legal commitment to suspend uranium enrichment activities was unprecedented and quite significant.

In a press conference held on Monday afternoon, Rowhani said that Europe would support normalization of Iran's nuclear dossier if International Atomic Energy Agency (IAEA) Director General Mohamed ElBaradei mentions in his new report that there is no need for special study of Iran's dossier.

According to the agreement, Iran will give a "concrete" guarantee that its enrichment activities will not deviate from peaceful applications and Europe will also "strongly" guarantee technological, nuclear, economic, and security cooperation with Iran, Rowhani explained. He also expressed hope that the country's nuclear dossier would take a normal course.

The acknowledgment by the European Union that Iran has the right to enrich uranium is a significant aspect of the Paris agreement, he noted. Rowhani stressed that there was no mention of "indefinite suspension" in the agreement. The suspension will remain in effect as long as Iran and the European Union continue talks, he added. He went on to say that the two sides had also agreed on the establishment of three-month working groups in the technological, nuclear, economic, and security fields.

### **Suspension should last only for a few months**

Rowhani said Iran has announced to the Europeans that the suspension of enrichment activities should only last for a few months and not several years. Rowhani expressed hope that Iran could trust Europe during the IAEA Board of Governors November session, saying that otherwise it would not be possible to continue with the current process.

The SNSC secretary stated that nothing was mentioned about the Arak heavy water facility in the agreement, adding that the factory would continue its activities. Elsewhere in his remarks, Rowhani said that Iran and Europe have expressed their support for the political process aimed at establishing security and a democratic government in Iraq in their agreement, adding that ridding the region of weapons of mass destruction and developing economic ties with Europe would positively influence the situation in the Middle East.

On the possible restoration of ties with the United States, Rowhani stressed that the ball is in the U.S. court. "We do not intend to prolong the crisis and tension and have no problem with any country that will officially recognize our interests and negotiate with Iran on an equal footing," he added.

The SNSC secretary said that Iran negotiates with the European Union trio of Britain, Germany, and France as the representatives of the 25 EU member states, adding that the three countries are also members of the Group of Eight (G-8) industrialized countries.

### **Iran does not intend to stand against the world**

Rowhani noted that Iran's commitments stated in the Paris agreement are not obligatory, and warned that the Islamic Republic would resist if its red lines are not observed.

Iran's red line is the complete cessation of enrichment activities and the Islamic Republic has never withdrawn from this principle, he said.

Iran announced from the very beginning that it would not accept suspension through a resolution and would only agree to the matter on a political basis rather than a legal basis, he added.

The Islamic Republic does not intend to stand against the world and has always tried to resolve various issues through mutual understanding, Iran's top nuclear negotiator said.

He also announced that the Iran-EU joint working groups would be established in early December, after the November session of the IAEA Board of Governors.

Rowhani emphasized that the suspension of Iran's enrichment activities is limited and voluntary.

"We believe Iran will not face a loss through this measure," he added.

### **IAEA has proper means to prove peaceful nature of Iran's nuclear activities**

The top nuclear negotiator also said the UN nuclear watchdog has the necessary means to verify the peaceful nature of Iran's nuclear activities. The issue of uranium enrichment in Iran is resolvable if Europe shows goodwill, he told reporters. Rowhani also said that in the Paris agreement, the European Union expressed support for Iran's membership in the Expert Group on Multilateral Approaches to the Nuclear Fuel Cycle, which is a group within the IAEA that decides which countries should acquire nuclear fuel.

According to the regulations, the IAEA director general himself must invite Iran to join the group, and there is no need for the approval of other countries, he explained. Asked if there was any guarantee that the Europeans would live up to their commitments, Rowhani said that Europe seeks a serious agreement but no one can guarantee what will occur in the future.

The SNSC secretary added that Iran has announced to the agency that it will suspend nuclear industry parts construction and uranium reprocessing activities from November 22.

Elsewhere in his remarks, Rowhani said that the agreement between Iran and Europe was discussed by members of the G-8 group.

He went on to say that Iran would inform friendly countries, Non-Aligned Movement (NAM) member states, Russia, and China about the process of developments in the nuclear talks.

Rowhani also asserted that the Paris agreement will prevent the reference of Iran's nuclear dossier to the UN Security Council.

Of the 35 members of the IAEA Board of Governors, 12 European countries, 12 NAM member states, Russia, and China, are opposed to referring Iran's nuclear dossier to the UN Security Council, therefore that is not possible, the SNSC secretary said. According to the agreement, Europe will invest in various areas in Iran, including the aerospace industry, non-military aircraft, railways, and the oil and gas sectors, he added.

Europe has also announced that it will provide Iran with a research reactor and has emphasized that access to a nuclear power plant is the country's right, Rowhani said. -

### **UN probe backs Iran nuclear declarations**

According to the BBC, the UN watchdog has concluded that Iran has not diverted nuclear materials it declared to the International Atomic Energy Agency to make weapons.

But the IAEA said it could not rule out the existence of nuclear materials that had not been declared. In a confidential report, the UN nuclear watchdog said: "All the declared nuclear material in Iran has been accounted for, and therefore such material is not diverted to prohibited activities."

A senior diplomat close to the IAEA said "prohibited activities" included possible work on weapons, Reuters news agency quoted him as saying. "The Agency is, however, not in a position to conclude that there are no undeclared nuclear materials or activities in Iran," it added.

The findings of the report are due to be reviewed by the IAEA's board of governors on 25 November - three days after the freeze is set to begin.

New York Times

### **Nuclear Deal With Iranians Has Angered Hard-Liners**

by Nazila Fathi – 17 November 2004

TEHRAN, Nov. 16 - Iran's hard-line Parliament reacted angrily on Tuesday to a complex deal reached with Germany, France and Britain over the nation's nuclear activities.

The chief nuclear negotiator, Hassan Rowhani, said Sunday that Iran had agreed to stop enriching uranium while it negotiated with the Europeans for the benefits it would receive in return for suspending enrichment. By agreeing to the pact, Tehran also removed the threat of United Nations economic penalties.

But none of that mollified the hard-liners, most of whom were elected in February after moderate candidates were barred from running.

"We agreed to make 13 precise commitments while the Europeans only made four vague ones," Ahmad Tavakoli, one of the hard-liners, fumed during a noisy Parliament session on Monday.

From the Europeans' perspective, the deal fell short of the comprehensive arrangement they had sought to permanently stop Iran from enriching uranium, a crucial step in the production of nuclear weapons.

The Bush administration, which has contended that Iran is likely to cheat on any agreement, had reacted coolly to news of the pact, saying that it needed to study the fine print.

Rafat Bayat, another hard-liner, said the accord ran counter to Iran's national interests. "I say to the United States and the Europeans - and, in particular France, who insists a lot on the suspension of enrichment - that our Parliament will not accept anything that goes against our national interests," she said.

Mr. Rowhani, speaking with journalists after his appearance in a closed-door session with Parliament, dismissed the criticism. "Members of Parliament have made their personal comments, and that is natural," he was quoted as saying by ISNA, the student news agency.

"This agreement has been studied by different bodies," the news agency quoted him as saying. "It has not been the work of an individual or an institute, and the decision was not made solely by the Foreign Ministry or the supreme national security council."

Iran's supreme religious leader, Ayatollah Ali Khamenei, who has the final word on state matters and who appointed Mr. Rowhani to lead the negotiations, is widely thought to have approved the agreement. Mr. Rowhani said he assured Parliament during his meeting that the deal was a preliminary agreement.

"The suspension of enrichment will continue while the negotiations are moving in a positive direction," he was quoted as saying. "But if they hit a dead end, we will be under no obligation and the suspension will end."

#### Financial Times

#### **Iran alleged to have obtained plans for nuclear bomb**

by Daniel Dombey, Najmeh Bozorgmehr and Gareth Smyth – 17 November 2004

An Iranian opposition group alleged on Wednesday that Tehran had obtained weapons-grade uranium and a design for a nuclear bomb from the Pakistani scientist, Abdul Qadeer Khan.

The allegations were made by the Mujahideen-e Khalq (MEK), a group previously allied to former Iraqi president Saddam Hussein, and which was labelled "terrorist" in Sunday's co-operation agreement between Iran and the UK, France and Germany (the EU3).

It was MEK allegations in August 2002, subsequently backed up by US satellite pictures, that raised the alert about Iran's nuclear programme and set in train the International Atomic Energy Agency investigation into the country's nuclear facilities.

Sunday's agreement between Iran and the EU3 saw Iran agree to suspend all aspects of its uranium enrichment programme while a wider set of talks continued on economic, political and security issues. The agreement pledged co-operation against "terrorist groups", specifically mentioning al-Qaeda and the MEK.

The MEK on Wednesday alleged that Iran, contrary to its October 2003 agreement with the EU3, was continuing to enrich uranium at the Centre for the Development of Advanced Defence Technology, run by the defence ministry and located in Lavizan.

Diplomats from the EU countries that negotiated the recent agreement said the allegations should be looked at by the IAEA but should not be allowed to derail the deal itself.

"We should follow the methodology agreed between the EU3 and Tehran, and the IAEA has to be on top of this dossier, including whatever allegations have been made," said one EU diplomat.

Others said that the agreement, regulating Iran's future conduct, was more important than revelations about Tehran's past behaviour.

The US State Department said it could not confirm the MEK's claims but that it took the reports seriously and was continuing its investigation of Mr Khan's network.

In Tehran on Wednesday, President Mohammad Khatami called Sunday's agreement with the EU3 "a great victory" and expressed the hope that Iran's suspension of all uranium-related activities, due to begin on



November 22, would be answered by the November 25 IAEA meeting ending the US-led push to refer Iran to the UN Security Council. T

The MEK allegations follow an established pattern, say Iranian officials. In September, the MEK alleged that Iran had a uranium enrichment plant at Bandar Abbas on the Gulf, an allegation that Hossein Mousavian, a senior Iranian security official, dismissed as nonsense. "Close to every [IAEA] board of governors meeting, there is a routine, especially with the Americans, they raise something," Mr Mousavian told the FT in September.

In indirect negotiations with the US over Iraq, Iran has made it clear it regards senior members of the MEK, who it says have authorised operations that have killed officials and civilians inside Iraq, as war criminals.

AFP

### **Iran warns nuclear suspension subject to progress in talks with EU**

17 November 2004

TEHRAN (AFP) - Iran warned that its agreement to suspend sensitive nuclear activities in order to ease fears it is seeking the bomb was subject to rapid progress in a new round of negotiations to begin next month.

Tehran agreed Sunday to suspend its controversial uranium enrichment programme in a deal with three European Union states -- Britain, France and Germany. In mid-December they begin talks on building long-term guarantees on Iran's peaceful intentions as well as a package of incentives for Tehran.

"They will give the results of their work three months later. If the results are positive, it (the enrichment suspension) would continue," Iranian President Mohammad Khatami told reporters after a cabinet meeting.

"If the other side does not respect its commitments, we will not have any obligations either," he warned, but nevertheless said Iran had struck a "positive accord that respects the national interests."

The deal came just ahead of a November 25 International Atomic Energy Agency (IAEA) examination of Iran's cooperation.

The United States, which accuses the clerical regime here of seeking nuclear weapons, wants the IAEA board to refer Iran to the UN Security Council and sanctions to be imposed.

And an Iranian opposition group on Wednesday also again accused the regime of pursuing a secret nuclear weapons programme at a military site near Tehran whose existence has not been disclosed to UN inspectors.

"The site is involved in uranium enrichment, they are developing a number of techniques", said Farid Soleimani, senior official of National Council for Resistance in Iran, ahead of a press conference in Vienna.

A two-year IAEA investigation has revealed activities deemed suspicious, but no "smoking gun" that provides concrete proof of the US allegations.

Iran says it only wants to enrich uranium to make fuel for power generation, but there are fears that it could later divert the programme and produce highly-enriched uranium for a nuclear bomb.

"Before we spoke of a maximum period of six months, but now we do not want to fix a timeframe," Khatami said of his country's pledge to suspend enrichment activities as of November 22 -- just three days before the IAEA meets.

Khatami said it was now up to the IAEA board and the EU to respond in kind to Iran's agreement to cooperate as a first step in proving to Iran that the diplomacy was worthwhile.

Iran's nuclear negotiator Hossein Moussavian, also signalled that Tehran was expecting rapid progress in the coming months.

"Within three to four months at the most, we should reach a stage where we have an overall conclusion. If they come to no conclusion or say the only visible guarantee would be to halt enrichment altogether, Iran will not accept this," he told state television.

Iran has committed itself to halt enrichment while the negotiations with the EU are in progress, but the latest comments signal that Iran is unwilling to see them drag on fruitlessly too far into 2005.

But while Dutch Prime Minister Jan Peter Balkenende -- whose country currently holds the European Union's rotating presidency -- said the accord was a "step in the right direction", he warned the enrichment suspension had to be rapidly verified.

"If this does not happen we will have no option but to go to the UN Security Council," he told the European Parliament in Strasbourg.

Ideally the EU-3 would like Iran to abandon its fuel cycle work altogether.

But Iran is standing by its right to the fuel cycle, saying enrichment for peaceful purposes is permitted by the nuclear Non-Proliferation Treaty (NPT). But it has said it is ready to discuss ways in which it can operate the fuel cycle under full IAEA supervision that would ease any alarm.

## Reuters

### **Iran May Seek to Mate Missile, Nuclear Warhead-US**

By Saul Hudson – 17 November 2004

MANAUS, Brazil (Reuters) - The United States has seen information suggesting Iran is working on the technology to deliver a nuclear warhead on a missile, Secretary of State Colin Powell said on Wednesday.

"I have seen some information that would suggest they have been actively working on delivery systems ... you don't have a weapon until you can put it in something that can deliver a weapon," he told reporters during a brief stop in Brazil on his way to an Asia-Pacific Economic Cooperation meeting in Chile.

"I'm talking about what one does with a warhead," Powell said. "We are talking about information that says they not only have (the) missiles but information that suggests they are working hard about how to put the two together."

The United States accuses Iran of seeking to develop nuclear weapons and wants the matter to be addressed by the U.N. Security Council, which could impose sanctions. Tehran says its nuclear program is aimed at generating electricity.

U.S. officials have estimated that Iran is three to five years from developing a nuclear weapons, but some independent experts have said it could obtain one sooner.

Joseph Cirincione, director of the Carnegie Endowment for International Peace's Non-Proliferation Project, said arms control experts have long assumed that to the extent Iran was working to develop nuclear weapons and missiles it was also pursuing the separate technological challenge of mating them.

"Powell seems to be hinting at some new information that he has indicating that they are pushing to actually make this warhead design (work) with their existing missiles," Cirincione said. "We have all assumed that Iran is trying to do this."

#### **Technical challenge**

Cirincione said it took considerable expertise to shrink a nuclear bomb to fit on a missile with a one-ton (-tonne) payload and to make it sturdy enough to survive rocket launch and reentry, calling this "a whole separate technological" challenge.

Powell's disclosure came as the United States and the U.N. nuclear watchdog agency -- the Vienna-based International Atomic Energy Agency -- jockeyed over Iran's nuclear program.

On Tuesday, the IAEA, summarizing its two-year probe of Iran's nuclear activities, said Tehran had not diverted any of its declared nuclear materials to a weapons program.

Although the agency did not rule out the possibility that secret atomic activities existed, the report was a victory for Iran, which has been fighting off U.S. efforts to refer the issue to the U.N. Security Council.

European negotiations this week produced an Iranian promise to halt uranium enrichment activities from Nov. 22 and a U.S. official acknowledged this would prevent the IAEA board from sending the matter to the Security Council at its Nov. 25 meeting.

Instead, the Bush administration will try to obtain a board promise to immediately refer Iran to the Security Council at some future point if, as many U.S. officials expect, Tehran reneges on the deal, this official said.

Separately, Powell said he could not corroborate details of a report by an exiled Iranian opposition group that Iran got weapons-grade uranium and a nuclear bomb design from Abdul Qadeer Khan, a Pakistani scientist who has admitted to selling nuclear secrets abroad.

## Washington Post

### **Powell Says Iran Is Pursuing Bomb**

By Robin Wright and Keith B. Richburg – 17 November 2004

SANTIAGO, Chile, Nov. 17 -- The United States has intelligence that Iran is working to adapt missiles to deliver a nuclear weapon, further evidence that the Islamic republic is determined to acquire a nuclear bomb, Secretary of State Colin L. Powell said Wednesday.

Separately, an Iranian opposition exile group charged in Paris that Iran is enriching uranium at a secret military facility unknown to U.N. weapons inspectors. Iran has denied seeking to build nuclear weapons.

"I have seen some information that would suggest that they have been actively working on delivery systems. . . . You don't have a weapon until you put it in something that can deliver a weapon," Powell told reporters traveling with him to Chile for an Asia-Pacific economic summit. "I'm not talking about uranium or fissile material or the warhead; I'm talking about what one does with a warhead."

Powell's comments came just three days after an agreement between Iran and three European countries -- Britain, France and Germany -- designed to limit Tehran's ability to divert its peaceful nuclear energy program for military use. The primary focus of the deal, accepted by Iran on Sunday and due to go into effect Nov. 22, is a stipulation that Iran indefinitely suspend its uranium enrichment program.

The issue of adapting a missile is separate from the question of enriching uranium for use in a weapon. "I'm talking about information that says they not only have these missiles, but I am aware of information that suggests that they were working hard as to how to put the two together," Powell said, referring to the process of matching warheads to missiles. He spoke to reporters during a refueling stop in Manaus, Brazil.

"There is no doubt in my mind -- and it's fairly straightforward from what we've been saying for years -- that they have been interested in a nuclear weapon that has utility, meaning that it is something they would be able to deliver, not just something that sits there," Powell said.

Iran has long been known to have a missile program, while denying that it was seeking a nuclear bomb. Powell seemed to be suggesting that efforts not previously disclosed were underway to arm missiles with nuclear warheads. Joseph Cirincione, director of the Non-Proliferation Project at the Carnegie Endowment for International Peace, said Powell's remarks indicated that Iran was trying to master the difficult technology of reducing the size of a nuclear warhead to fit on a ballistic missile.

"Powell appears to be saying the Iranians are working very hard on this capability," Cirincione said. He said Powell's comments were striking because the International Atomic Energy Agency said this week that it had not seen any information that Iran had conducted weapons-related work.

In a 32-page report, IAEA chief Mohamed ElBaradei wrote that "all the declared nuclear material in Iran has been accounted for, and therefore such material is not diverted to prohibited activities," such as weapons programs. But ElBaradei said that he could not rule out the possibility that Iran was conducting a clandestine nuclear weapons program.

Powell also told reporters that the United States had not decided what action to take following Sunday's agreement. The Bush administration had insisted that Iran's past violations warranted taking the matter to the U.N. Security Council.

Powell said the United States would monitor verification efforts "with necessary and deserved caution because for 20 years the Iranians have been trying to hide things from the international community."

Meanwhile, in Paris, the exile group charged that Iran was still enriching uranium and would continue to do so despite the pledge made Sunday to European foreign ministers. The group, the National Council for Resistance in Iran, or NCRI, also claimed that Iran received blueprints for a Chinese-made bomb in the mid-1990s from the global nuclear technology network led by the Pakistani scientist Abdul Qadeer Khan. The Khan network sold the same type of bomb blueprint to Libya, which has since renounced its nuclear ambitions.

Mohammad Mohaddessin, chairman of the foreign affairs committee of the Paris-based NCRI, told reporters at a news conference that the Khan network delivered to the Iranians a small quantity of highly enriched uranium that could be used in making a bomb. But he said the amount was probably too small for use in a weapon.

The NCRI is the political wing of the People's Mujahedeen organization, which the State Department has labeled a terrorist organization. The NCRI helped expose Iran's nuclear ambitions in 2002 by disclosing the location of the government's secret uranium enrichment facility at Natanz. But many of its subsequent assertions about the program have proven inaccurate.

On Wednesday, Mohaddessin used satellite photos to pinpoint what he said was the new facility, inside a 60-acre complex in the northeast part of Tehran known as the Center for the Development of Advanced Defense Technology. The group said that the site also houses Iranian chemical and biological weapons programs and that uranium enrichment began there a year and a half ago, to replace a nearby facility that was dismantled in March ahead of a visit by a U.N. inspections team.

The group gave no evidence for its claims, but Mohaddessin said, "Our sources were 100 percent sure about their intelligence." He and other group members said the NCRI relies on human sources, including scientists and other people working in the facilities and locals who might live near the facilities and see suspicious activities.

The IAEA, the U.N. nuclear monitoring body, had no immediate comment on the claims but said it took all such reports seriously.

The agency has no information to support the NCRI claims, according to Western diplomats with knowledge of the U.N. body's investigations of Iran.

Some diplomats and arms control experts privately discounted the Iranian group's latest claim, saying it appeared designed to undermine the deal that the Tehran government signed with Britain, France and Germany. In Tehran on Wednesday, Iranian officials said they considered the enrichment suspension temporary and contingent upon a favorable decision at the IAEA meeting next week and on quick progress in talks next month on long-term guarantees that Iran can apply nuclear technology for peaceful purposes.

## KRONIEK 2004

januari	Lord Robertson vertrekt als Secretaris-Generaal van de NAVO
1 januari	Ierland neemt voorzitterschap EU over
1 januari	Einde Nederlands voorzitterschap OVSE
1 januari	Verenigde Staten nemen voorzitterschap G8 over
20 januari - 26 maart	Eerste sessie Conference on Disarmament, Geneve
21-25 januari	World Economic Forum, Davos
6-7 februari	Annual Munich Security Conference, München
20 februari	Parlementsverkiezingen Iran
27 februari	Bezoek Schröder aan Washington
maart	Parlementsverkiezingen Spanje
1 maart	Ministeriële bijeenkomst VS-EU, Washington
8 maart	IAEA Board of Governors Meeting, Wenen
14 maart	Presidentsverkiezingen Rusland
2 april	Bezoek Colin Powell aan Duitsland en België
2 april	Informele bijeenkomst NAVO Ministers van Defensie
5 april	Parlementsverkiezingen Indonesië
5-23 april	UN Disarmament Commission, jaarlijkse bijeenkomst, New York
9-16 april	Bezoek Dick Cheney aan China, Japan en Zuid-Korea
15 april	Parlementsverkiezingen Zuid-Korea
26 april – 7 mei	NPT PrepCom, New York
mei	Bijeenkomst Chemical Weapons Convention, Den Haag
1 mei	Toetreding diverse landen tot de Europese Unie
10 mei -25 juni	Tweede sessie Conference on Disarmament, Geneve
juni	Verkiezingen Europees Parlement
juni	Parlementsverkiezingen Japan
5-6	Bezoek George W. Bush aan Frankrijk
8-10 juni	G-8 Summit, Sea Island, Georgia
14 juni	IAEA Board of Governors Meeting, Wenen
28-29 juni	NAVO-top, Istanbul
1 juli	Nederland neemt voorzitterschap EU over
19-30 juli	Biological Weapons Convention, expert meeting, Geneve
september	Start Algemene Vergadering Verenigde Naties, New York
26 juli – 10 september	Derde sessie Conference on Disarmament, Geneve
13 september	IAEA Board of Governors Meeting, Wenen
20-24 september	IAEA General Conference, Wenen
27 september	IAEA Board of Governors Meeting, Wenen
2 november	Presidentsverkiezingen Verenigde Staten
25 november	IAEA Board of Governors Meeting, Wenen
6-10 december	Jaarlijkse bijeenkomst Biological Weapons Convention, Geneve

## FACTS AND REPORTS

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1. US unilateralism – official foreign comments
2. Veiligheidsvraagstukken en de verkiezingen – standpunten van de politieke partijen  
Relevante delen van de partijprogramma's van de Nederlandse politieke partijen, plus citaten van politici op het terrein van oorlog en vrede.
3. Transatlantic relations – recent developments  
Overzicht van recente ontwikkelingen in de transatlantische betrekkingen, met name binnen de NAVO, mede naar aanleiding van uitspraken in de State of the Union.
4. Ontwikkelingen betreffende kernwapens en de Nederlandse politiek – briefing paper  
Periodiek overzicht van ontwikkelingen rond kernwapens in de internationale en nationale politiek, met uitgebreide hoeveelheid bijlagen.
5. Nucleaire vraagstukken – standpunten van de Nederlandse regering en de Tweede Kamer  
Overzicht april 2001 – april 2002
6. Crisis in de OPCW – de verwijdering van directeur-generaal Bustani  
Documenten en artikelen over het ontslag van directeur-generaal Bustani van het OPCW
7. Prepcom van het NPV – nucleaire ontwapening stokt  
Verklaringen en rapporten van staten en ngo's tijdens de Prepcom van het NPV
8. Verdrag van Moskou – détente tussen Rusland en Verenigde Staten  
Informatie over het Verdrag van Moskou, ontwikkelingen daaromheen en commentaar erop
9. Joint Strike Fighter – achtergrondberichten
10. Konfrontatie in Zuid-Azië – de kernwapenwedloop tussen India en Pakistan  
Basisgegevens over de nucleaire strijdkrachten en doctrines van India en Pakistan, Nederlandse wapenexport en wapenexportbeleid en een oproep om een nucleair treffen te voorkomen
11. Massavernietigingswapens in het Midden-Oosten (1) – Egypte, Israël, Syrië  
Basisinformatie over de proliferatie van nucleaire, biologische en chemische wapens in Egypte, Israël en Syrië en verklaringen van de Nederlandse regering hierover
12. Amerikaans unilateralisme II – officiële reacties
13. Aanval op Irak – de kwestie van de massavernietigingswapens; feiten, documenten en overwegingen
14. Aanval op Irak (2) – recente ontwikkelingen
15. Documenten First Committee Verenigde Naties 2002 – resoluties, verklaringen, rapporten
16. De NAVO-top in Praag – documenten
17. Aanval op Irak (3) – het inspectieregiem
18. Internationaal veiligheidsbeleid Verenigde Staten – officiële documenten en reacties van de regering
19. Veiligheidsvraagstukken en de verkiezingen (2) – standpunten van de politieke partijen (update 2003)
20. Korea, de tweede crisis
21. Aanval op Irak (4) – de aanloop
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23. De andere crises - Informatie over het Amerikaans nucleair beleid, missile defense, de Conference on Disarmament en de recente ontwikkelingen rond Noord-Korea, Iran en India en Pakistan.
24. Aanval op Irak (6) – de slachtoffers
25. Nucleaire vraagstukken (2) – standpunten van de Nederlandse regering en de Tweede Kamer en recent nieuws nucleair beleid Verenigde Staten - Overzicht april 2002 – mei 2003
26. Teststopverdrag Artikel XIV Conferentie – de kwestie van de Amerikaanse minikernwapens
27. G-8 en Proliferation Security Initiative – stappen naar unilaterale contra-proliferatie
28. Irak (7) – Nederland en de massavernietigingswapens
29. Proliferatievraagstukken – Standpunten van de Nederlandse regering
30. Iran – Documentatie massavernietigingswapens
31. Twee proliferatiecrises – Iran en Noord-Korea
32. Begroting Buitenlandse Zaken – Proliferatievraagstukken
33. Irak (8) – De massavernietigingswapens
34. Irak (9) – De casus belli
35. Proliferatie – recente ontwikkelingen
36. VS nucleair beleid – recente ontwikkelingen
37. Proliferatie (2) – recente ontwikkelingen
38. Iran (2A-2B-2C-2D) – recente ontwikkelingen

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