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**Iran Must Work to Rebuild Confidence**

If there is one goal in which governments of all kinds have found common purpose, it is halting the spread of nuclear weapons.

The bedrock of global efforts to establish a credible system for preventing their proliferation is the Nuclear Non-Proliferation Treaty (NPT). More states have signed this Treaty than any other. Full compliance is essential for international security and the effectiveness of the multilateral system.

Two and a half years ago, Iran was forced to admit to the International Atomic Energy Agency (IAEA) that it was building secret installations to enrich uranium and to produce plutonium, which could be used to produce material for such weapons. It was and still is building ballistic missiles that could carry nuclear warheads. Iran appeared to be challenging the non-proliferation system.

Subsequent investigations showed that, in the IAEA's words, "Iran's policy of concealment ... resulted in many breaches of its obligations". They gave rise to serious concern that Iran's nuclear programme may not, as it claims, be for solely peaceful purposes. Under the IAEA's rules, Iran should have been reported to the United Nations Security Council two years ago.

We decided instead to find a way forward that would give Iran an opportunity to dispel concerns and prove that the aims of its nuclear programme were entirely peaceful. The IAEA's Board of Governors agreed to delay a report to the Security Council to give the European initiative a chance.

At the heart of our initiative was a proposal that Iran should restore confidence by suspending all enrichment related and reprocessing activities while we discussed mutually acceptable long-term arrangements. The IAEA Board adopted unanimously six successive resolutions asking Iran to suspend these activities.

In November 2004, Iran finally agreed to move ahead on this basis. The 'Paris Agreement' set out the framework for talks. It offered the prospect of not just a long-term solution to the nuclear issue, but also a stronger relationship between Europe and Iran, including co-operation on political and security issues and in economic and scientific fields.

The stakes were high then and they still are. If the process succeeds, the non-proliferation system will emerge with its authority enhanced. But if Iran continues on its path, Central Asia and the Middle East, one of the world's most volatile areas, may well be destabilised. Other states would be likely to enhance their own capabilities. The NPT will be badly damaged, as will the goal of creating a WMD free zone in the Middle East, a cause to which we are committed. This helps explain the wide support we have had.

Last month, Iran decided to defy the international community by restarting uranium conversion at its plant in Isfahan, a unilateral step halting our talks.

Iran claims it is doing no more than enjoying its right to make peaceful use of nuclear technology, in accordance with the NPT. Iran wants to paint this as a dispute between the developed and developing world.

These arguments do not stand up. No-one is trying to stop Iran from generating electricity by nuclear power. We do not question Iran's – or any country's – rights under the NPT. This is why in August we have offered Iran, as part of a long-term agreement, support for its civil nuclear programme. But with NPT rights go very clear obligations, and there are serious grounds for concern that Iran's nuclear ambitions may not be exclusively peaceful.

For nearly two decades Iran hid enrichment related and reprocessing activities which, if successful, would enable it to produce fissile material for a nuclear weapon. Only since 2002, as the extent of its undeclared activities has been uncovered, has Iran admitted to them, and then only under the pressure of IAEA investigations. Iran initially denied having enriched any nuclear material, but was found to have done so using two separate processes. Iran also claimed it had no outside help for its centrifuge enrichment programme. But it was found to have worked with the same secret network that helped Libya and North Korea develop clandestine nuclear weapons programmes.

There is no economic logic to the facilities at the centre of the dispute, at Isfahan and Natanz, if they are, as Iran claims, solely to produce fuel for nuclear reactors. Iran does not have any nuclear power station in which the fuel it says it wants to produce could be used. It has only one under construction, for which Russia is contracted to supply fuel for ten years and has offered to supply fuel for the lifetime of the reactor, which can only work safely with Russian fuel. Iran has no licence to make the fuel itself, nor is there any economic rationale. We have offered to work with Iran so it has assurances of supply in the event of a procurement problem. 31 countries in the world have nuclear power reactors – the great majority without developing a fuel cycle industry, demonstrating that this capability is not critical to a civil nuclear industry.

We have pursued talks in good faith. But as well as breaking the Paris Agreement by resuming suspended activities, Iran rejected, without any serious consideration, detailed proposals for a long-term agreement that we presented last month. These were the most far-reaching ideas for relations between Iran and Europe presented since the 1979 Iranian revolution and would provide the foundation for a new relationship based on co-operation.

At the United Nations in New York last week, we publicly and privately restated our willingness to work with Iran in political, economic, scientific and technological areas and readiness to explore ways to continue negotiations. We went out of our way to avoid public comment which might raise tensions, despite Iran's breach of the Paris agreement. But in his speech to the General Assembly on 17 September, President Ahmedinejad gave no hint of flexibility, talking of a 'nuclear apartheid'

and insisting that Iran would exercise its right to develop fuel cycle technology, regardless of the concerns of the international community.

The spotlight is now on the IAEA Board of Governors in Vienna to respond. Mohammed El-Baradei's latest report concludes that "after two and a half years of intensive inspections and investigation, Iran's full transparency is indispensable and overdue". The proliferation risks if Iran continues on its current path are very great. We hope all members of the international community will remain united. Collectively, we are responsible for meeting the challenge.

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