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<u>DELEGATES WELCOME CLIMATE OF 'RESTORED TRUST', WHILE ACKNOWLEDGING NEED TO DO</u> MORE

AS SECURITY COUNCIL CONSIDERS NON-PROLIFERATION ISSUES

Iran's attempted procurement of carbon fibre was a violation of its obligations under resolution 1929 (2010), as well as other resolutions, the Chair of Security Council Committee charged with monitoring sanctions on that country said today, as he briefed members on its latest report.

Gary Quinlan (Australia), Chair of the so-called "1737 Committee" — named for the Council resolution that brought it into existence in 2006 — said the Committee had arrived at that conclusion on 23 October, when it had met to discuss a report by its Panel of Experts on the seizure of carbon fibre destined for Iran. The Committee's report covered the period of 6 September to 12 December, during which time it had held two informal meetings and carried out additional work using the "no-objection" procedure.

Among its activities, he said the Committee had received two notifications by a Member State concerning the delivery of items for reactor unit 1 of the Bushehr nuclear power plant. It also had received three notifications by a Member State pursuant to paragraph 15 of resolution 1737 (2006), which outlines that the freezing of assets shall not prevent a designated person or entity from making payments due under a contract entered into prior to the listing.

In a similar context, he said that on 25 November, the Committee had rejected a petition from the First East Export Bank to be "delisted", a decision it had communicated to the party through the designated Focal Point. On 7 November, it had advised a State on the modalities of making a payment from an entity on its territory to Iran's Ministry of Defence, a matter on which it had stated it had no objection in December 2012. Also on that day, it had been informed that authorities in one State were investigating an alleged connection between an Iranian national and a company registered in the reporting State.

When the floor was opened for debate, Council members consistently lauded the 24 November interim agreement reached in Geneva between the "P5+1" (China, France, Russian Federation, United States, United Kingdom, plus Germany) and Iran, commending parties taking that important step to bringing Iran back into the international arena. Rwanda's delegate, lauding the new climate of "restored trust", said Iran must resume contact with the 1737 Committee, including by responding to its 12 April letter regarding its rocket launches, which the Panel had determined had violated Council resolutions.

Stressing that the Geneva document must be implemented in good faith by all parties, the representative of the Russian Federation said the six mediators and Iran must work on the next phase of the process. In such work, he cautioned against creating artificial obstacles to closing the Iranian dossier at the International Atomic Energy Agency (IAEA).

Such comments were echoed by other speakers, who underlined the importance of dialogue and diplomacy in addressing Iran's nuclear programme, which China's delegate, said were the only viable avenues for solving the issue. Sanctions were the means, not a benchmark, for measuring the Committee's progress. He called on all parties to maintain the momentum of dialogue leading to a thorough settlement, a point similarly made by Togo's delegate, who stressed that Iranians had suffered under the sanctions regime for far too long.

Any future deal, the United States representative recalled, must address the Council's multiple resolutions on the nuclear issue. In the meantime, all United Nations sanctions remained in force and all States were obliged to implement them. She pressed the Committee to step up efforts to help States implement those texts, to respond to sanctions violations, and to do more to tackle illicit arms shipments from Iran to Syria, Yemen, Gaza and elsewhere.

For its part, France would be vigilant about reaching a long-term agreement, that country's representative said. Iran's relationship with IAEA had made progress, he said, citing transparency measures related to the Gachin uranium mine, the heavy water production facility and projects for research reactors as positive developments. However, Iran's response on other issues was awaited.

Also speaking today were the representatives of the United Kingdom, Azerbaijan, Guatemala, Argentina, Republic of Korea, Luxembourg, Pakistan and Morocco.

The meeting began at 3:05 p.m. and ended at 4:15 p.m.

Background

Meeting to consider non-proliferation, the Security Council was expected to hear a briefing by the Chairman of its 1737 Committee, established to implement Council resolution 1737 (2006) on Iran's nuclear activities.

Briefing

GARY QUINLAN (<u>Australia</u>), Chair of the Committee established pursuant to resolution 1737 (2006) — also known as the 1737 Committee — presented his most recent report, covering the period from 6 September to 12 December, during which time, the Committee held two informal meetings and conducted additional work using the "no-objection" procedure. Welcoming the interim agreement reached between the P5+1 (China, France Russian Federation, United States, United Kingdom plus Germany) and Iran on 24 November, he said that the Committee met on 23 October to discuss the Panel of Experts report on a seizure of a consignment of carbon fibre destined for Iran. The Committee had concluded that Iran's attempted procurement of that material was a violation of its obligations under resolution 1929 (2010) and previous resolutions.

He said that on 5 November, a Member State had reported its seizure of goods it suspected were sanctioned goods, but wanted the Panel's assistance before making a final determination, an issue the Panel was currently considering. Recalling that the ban on supplying nuclear-related items to Iran was subject to conditional exceptions, notably in relation to items for light-water reactors, he said the Committee had received two notifications by a Member State concerning the delivery of items for reactor unit 1 of the Bushehr nuclear power plant. Member States were also obliged to freeze assets on their territory that were owned or controlled by a person or entity listed by the Council or the Committee, targeted financial sanctions that were subject to a range of conditional exceptions.

As such, the Committee had received three notifications by a Member State pursuant to paragraph 15 of resolution 1737 (2006) and paragraph 4 of resolution 1747 (2007), which allowed for payments owed by a listed person or entity under a contract entered into prior to the listing. Listed persons and entities had the right to petition the Committee to be "delisted" through the Focal Point. On 25 November, the Committee had rejected such a petition from the First East Export Bank and had

communicated its reasons through the Focal Point. The Committee also assisted States in exercising vigilance over financial transactions with persons or entities in Iran. On 7 November, one State had consulted the Committee on the modalities of making a payment, to which the Committee had already advised it had no objection in December 2012, from an entity on its territory to Iran's Ministry of Defence. Also on 7 November, a State had informed the Committee that its authorities were investigating an alleged connection between an Iranian national and a company registered in the reporting State.

He went on to say that, on 18 November, he had joined the Chairs of the Committees established pursuant to resolutions 1373 (2001), 1540 (2004), 1718 (2006), 1988 (2011) and the Al-Qaida Sanctions Committee, as well as the President of the Financial Action Task Force in an open briefing on the roles of the Council and the Task Force in combating the financing of terrorism and proliferation. In an 11 October letter, the Committee had informed the United Nations Industrial Development Organization (UNIDO) that its proposal for technical assistance to Iran did not contravene any sanctions. Finally, he said, the Panel had submitted its midterm report to the Council on 4 December, which the Committee had considered during an informal meeting on 21 November.

Statements

VITALY CHURKIN (<u>Russian Federation</u>) said that the Geneva document needed to be implemented in good faith by all parties. The six mediators and Iran must work on the next phase of the process. His country noted that there had been progress in the cooperation between Iran and the International Atomic Energy Agency (IAEA) and hoped that IAEA would close the Iranian dossier in the near future. "What would be wrong would be to create artificial obstacles to this," he added. Attempts to resolve crises in the Middle East using force went against the idea of a fair and balanced system of international affairs. At the current critical juncture, the 1737 Committee should act in a balanced and neutral way to resolve the Iranian nuclear issue. The Russian Federation would spare no efforts to achieve a final comprehensive solution.

LIU JIEYI (<u>China</u>) said that dialogue and negotiations were the only viable solutions for the Iranian nuclear issue. China hoped that all parties would implement the Geneva agreement properly and maintain the momentum of the dialogue leading to a thorough settlement. His country supported the constructive role played by IAEA, and believed that all parties had the obligation to implement the relevant sanctions. However, sanctions were only the means, not a benchmark, to measure the progress of the 1737 Committee. The Committee should focus on its long-term goals and support the diplomatic process. As a permanent member of the Security Council and a member of the Iranian nuclear issue dialogue mechanism, China had always maintained a responsible and impartial position, promoting peace and dialogue.

ROSEMARY DI CARLO (<u>United States</u>) said that, for the last decade, the international community had expressed grave concern over Iran's nuclear programme, an issue the Council had agreed to address through diplomacy and steadily increasing pressure. The "P5+1" had taken important steps, with its recent "milestone" agreement, under which key parts of Iran's programme would be halted or rolled back. It provided a six-month window to test whether a long-term solution could be found. In the weeks and months ahead, the United States expected to determine whether that was possible. Any deal must address the Council's multiple resolutions on that matter. In the meantime, "all United Nations sanctions remain in force" and all States were obliged to implement them.

Moreover, the Committee and its Panel of Experts must continue their vital work, she said, calling on the Committee to step up efforts to help States understand and implement the resolutions. It also must issue more implementation assistance notes. The Committee had not implemented all the recommendations from the Panel's May 2003 report. Further, it must improve its ability to respond to sanctions violations, she said, expressing disappointment it had not taken action on reported violations. It also should do more to tackle illicit arms shipments from Iran to Syria, Yemen, Gaza and elsewhere. Urging the Panel to continue its "impressive" level of activity, she called on the Committee to do more to share best practices for detecting and stopping violations in progress. Until a deal with Iran could be reached, the Council must maintain pressure on that country.

MARK LYALL GRANT (<u>United Kingdom</u>) said the unity of all five Permanent Council members behind the recent interim agreement sent a powerful signal. That accord also provided more time to find a comprehensive solution to Iran's nuclear programme. Most sanctions remained in place, including those established by the United Nations, and they must be robustly enforced in order to provide an incentive for Iran to ensure an exclusively peaceful programme. "We are right to test Iran's readiness to work with the international community," he said and enter into international agreements. Early signs showed that Iran was cooperating and he welcomed its recent signature of a joint cooperation framework with IAEA.

"This is a step in the right direction," he said, cautioning that the substance of the Agency's concerns still must be addressed and registering his Government's concern over breaches — and possible breaches — of Iran's international obligations. He called on the Panel to investigate reports related to carbon fibre shipments, noting that it had concluded that Iran's ballistic missile launched last year had violated resolution 1929 (2010). Noting that efforts to engage Iran on that issue had been "spurned", he pressed the Committee to take further action in response to that matter. There was also credible information that Iran was illicitly transferring arms within the region, which only undermined regional security. The Panel must continue to monitor that situation, identify those responsible and make recommendations to the Committee.

AGSHIN MEHDIYEV (<u>Azerbaijan</u>) said he was encouraged by the interim agreement between Iran and the P5+1 and the Joint Statement between Iran and IAEA. As the IAEA Board of Governor's 14 November report (document S/2013/668) pointed out, the agreement marked an important step forward. It was essential that Member States cooperate with the 1737 Committee and Panel of Experts and provide information on their respective steps to implement the sanctions regime. He hailed the 18 November open briefing for States on the role of the Council and the Financial Action Task Force in combating the financing of terrorism and its proliferation, saying it was effective in raising awareness about the Council's and Task Force's actions towards that end. The Panel must continue its outreach activities as they played an important role in increasing the number of reports from Member States on national implementation of the sanctions regime. He expressed hope that diplomatic efforts and recent progress in the talks between Iran and the P5+1 would lead to a final resolution.

MÓNICA BOLAÑOS PÉREZ (<u>Guatemala</u>) said that the interim agreement on the Iranian nuclear programme, reached on 24 November, had renewed the optimism of the international community. The Committee must respond in a clear, direct and timely manner when it came to requests for information on the sanctions regime. She also called on all members to redouble their efforts to reach a consensus on the recommendations contained in the final Group of Experts report. Highlighting the importance of information sessions open to all member States, she said that Guatemala was convinced that greater transparency would ensure greater effectiveness of the sanctions regime. These were politically sensitive matters, but the majority of the members of the Council were excluded from consultations. Broad geographic representation was also crucial for the effectiveness of the Committee's decisions and the group of experts should not be perceived as representatives of a specific regional group. That affected the legitimacy of the body, she cautioned.

MARIO OYARZABAL (<u>Argentina</u>) said that the Geneva agreement demonstrated the value of diplomatic measures and the possibility of reaching solutions through negotiations. The international community must continue to support the nuclear non-proliferation regime. Argentina believed that it was essential for Iran to cooperate actively with IAEA and take the necessary measures to implement the resolutions of the Council. Turning to the work of the 1737 Committee, she highlighted the importance of holding open information meetings on a periodic basis. Concluding, she reiterated her country's commitment to non-proliferation and to the inalienable right of all State parties to the non-proliferation treaty to develop, research and use nuclear energy for peaceful purposes.

SUL KYUNG-HOON (<u>Republic of Korea</u>) welcomed the 24 November agreement and the efforts of all relevant countries. He looked forward to its implementation and expressed hope that the P5+1 and Iran would conclude a final agreement on the Iranian nuclear issue. He welcomed the 11 November joint

statement between IAEA and Iran on verification activities and recognized the Agency's role in resolving all past and present issues over Iran's programme. He expected Iran to fully cooperate. He noted Iran's recent progress towards that end, and expressed hope it would maintain that momentum and fully carry out its Joint Plan of Action with the P5+1. Iran must comply with its international obligations under relevant Council and IAEA resolutions. The 1737 Committee must continue to fulfil its mandate, properly implement the Panel of Experts' recommendations and respond to alleged violations appropriately and swiftly. It was regrettable that Iran had not responded to the Committee's April and May letters over the country's missile launches during the Great Prophet 7 exercises and interception of arms shipments in Yemen. "Given the current constructive spirit, we look forward to Iran's prompt and sincere response to these," he said. He expressed hope that a final resolution of the Iranian nuclear issue would positively influence other pending non-proliferation concerns.

OLIVIER MAES (<u>Luxembourg</u>) welcomed the interim agreement, as well as the energy of the High Representative of the European Union during that process, saying that each of the parties had shown courage. The dual-track focus had borne its fruit. While the interim agreement was only a first step, he called on all parties to realize that accord. As for IAEA, he was pleased at the Joint Statement signed with Iran on 11 November, which created a cooperation framework to determine the nature of Iran's nuclear programme. Iran must reassure the international community that its programme was strictly peaceful in nature. In addition, it must respect its international obligations under Council resolutions adopted since 2006, as well as those adopted by the IAEA Council of Governors. The carbon fibre cargo interception must be followed-up. Finally, he welcomed the open information session held on 18 November on combating the financing of terrorism and proliferation.

MASOOD KHAN (<u>Pakistan</u>) welcoming the interim agreement, said Pakistan had always maintained that Iran was entitled to certain rights, which should be aligned with the Nuclear Non-Proliferation Treaty. For its part, Iran should fulfil its obligations under that instrument. He hoped both sides would implement their commitments in good faith. As a neighbouring country, Pakistan had always underscored the importance of finding a peaceful solution to the Iranian nuclear issue. The overall positive tone of the last IAEA report showed the progress being made on technical issues, he said, urging Iran to stay engaged and cooperate fully with the Agency. The agreement carried important implications for the Council, the 1737 Committee and its Panel of Experts. The Council had an important responsibility to contribute to resolving the Iranian nuclear issue, while the Committee and Panel must adhere to high standards of neutrality and align their work with that to be set by the Council on the Iranian nuclear issue.

ABDERRAZZAK LAASSEL (Morocco), commending the cooperation between the Panel of Experts and member States, urged the Committee to make information available to all member States in a timely manner. One of the main developments in the nuclear issue was the agreement of principles singed between the P5+1 and Iran. Morocco was wedded to the ideal of non-proliferation and hoped that the agreement would lead to tangible results to settle the Iranian nuclear issue and create a nuclear weaponsfree zone in the Middle East. It was of capital importance to prevent the weakening of the non-proliferation regime. The strength and impact of the non-proliferation treaty, as well as the continued work towards disarmament, hinged on cooperation between all States.

KOKOU NAYO MBEOU (<u>Togo</u>) said that the Geneva agreement signed on 24 November between P5+1 and Iran, not only eased sanctions, but also opened up a framework of trust and cooperation between Iran and the international community. His country hoped that Iran would demonstrate its good faith by responding to the Agency's requests. The recent progress provided hope for a diplomatic settlement of the issue and marked the readiness of the new authorities of Iran to cooperate with the P5+1 and IAEA. Iran's people had suffered from the sanctions imposed on them far too long.

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