

GAO Highlights

Highlights of [GAO-16-417](#), a report to congressional requesters

Why GAO Did This Study

In July 2015, multilateral talks with Iran culminated in an agreement called the Joint Comprehensive Plan of Action (JCPOA), through which Iran committed to limits on its nuclear program in exchange for relief from sanctions put in place by the United States and other nations. The International Atomic Energy Agency (IAEA), an independent international organization that administers safeguards designed to detect and deter the diversion of nuclear material for non-peaceful purposes, was requested to monitor and verify Iran's adherence to these limits. The U.S. Department of State coordinates the United States' financial and policy relationship with IAEA.

GAO was asked to review the authorities and resources IAEA has to carry out its activities regarding the JCPOA. On the basis of preliminary results of ongoing work that GAO is conducting, this report provides observations on (1) the JCPOA commitments that IAEA has been asked to verify and its authorities to do so, (2) the resources IAEA has identified as necessary to verify the JCPOA, and (3) potential challenges and mitigating actions IAEA and others have identified with regard to verifying the JCPOA. GAO analyzed the JCPOA and key IAEA documents and interviewed current and former IAEA officials, U.S. government officials, national laboratory representatives, and experts from research institutions.

GAO is not making recommendations at this time and expects to issue a final report on this work later this year.

View [GAO-16-417](#). For more information, contact David C. Trimble at (202) 512-3841 or trimbled@gao.gov.

February 2016

NUCLEAR NONPROLIFERATION

Preliminary Observations on IAEA's Role in Verifying the Iran Agreement

What GAO Found

As outlined in the JCPOA, IAEA was asked to verify Iran's implementation of a range of nuclear-related commitments, and IAEA uses its authorities and conducts additional verification activities to do so, according to IAEA. Iran's commitments include limits on uranium enrichment levels and enriched uranium inventories. GAO's preliminary observations indicate that IAEA plans to verify Iran's implementation of these commitments through a range of activities conducted by its Safeguards Department, such as inspecting Iran's nuclear facilities and analyzing environmental samples. To verify Iran's implementation of its commitments under the JCPOA, IAEA officials told GAO that the agency uses its authorities and conducts additional verification activities agreed to by Iran under the JCPOA, such as monitoring Iran's uranium mines and mills. In addition, under the JCPOA, Iran agreed to provisionally apply the Additional Protocol, an agreement that will expand IAEA's access, including to locations where undeclared materials and activities—those that an IAEA member state is required to, but has not declared under its agreements with IAEA—may be suspected. The JCPOA also includes a mechanism in which participants to the agreement commit to resolve an access request from the agency within 24 days after the request is made.

GAO's preliminary observations indicate that IAEA has identified the resources necessary to verify the nuclear-related commitments in the JCPOA. IAEA has estimated that it needs approximately \$10 million per year for 15 years in additional funding above its current safeguards budget for JCPOA verification. In addition, IAEA plans to transfer 18 experienced inspectors to its Iran Task Force from other safeguards divisions and to hire and train additional inspectors. According to IAEA officials, existing safeguards technical resources are sufficient to implement the JCPOA. According to IAEA documents, all of IAEA's JCPOA work through 2016 will be funded through extra-budgetary contributions. IAEA officials said that the agency intends to propose that of the \$10 million, approximately \$5.7 million for all Additional Protocol activities and inspector costs attributable to the JCPOA be funded through IAEA's regular budget after 2016.

GAO's preliminary observations indicate that IAEA may face potential challenges in monitoring and verifying Iran's implementation of certain nuclear-related commitments in the JCPOA. According to current and former IAEA and U.S. officials and experts, these potential challenges include (1) integrating JCPOA-related funding into its regular budget and managing human resources in the safeguards program, (2) access challenges depending on Iran's cooperation and the untested JCPOA mechanism to resolve access requests, and (3) the inherent challenge of detecting undeclared nuclear materials and activities—such as potential weapons development activities that may not involve nuclear material. According to knowledgeable current and former U.S. government officials, detection of undeclared material and activities in Iran and worldwide is IAEA's greatest challenge. According to IAEA documents, Iran has previously failed to declare activity to IAEA. However, according to a former IAEA official as well as current IAEA and U.S. government officials GAO interviewed, IAEA has improved its capabilities in detecting undeclared activity, such as by adapting its inspector training program.