



JCPOA Procurement Channel and the Procurement Working Group of the Joint Commission

*Delegated PWG Coordinator
New York, 14 July 2017*

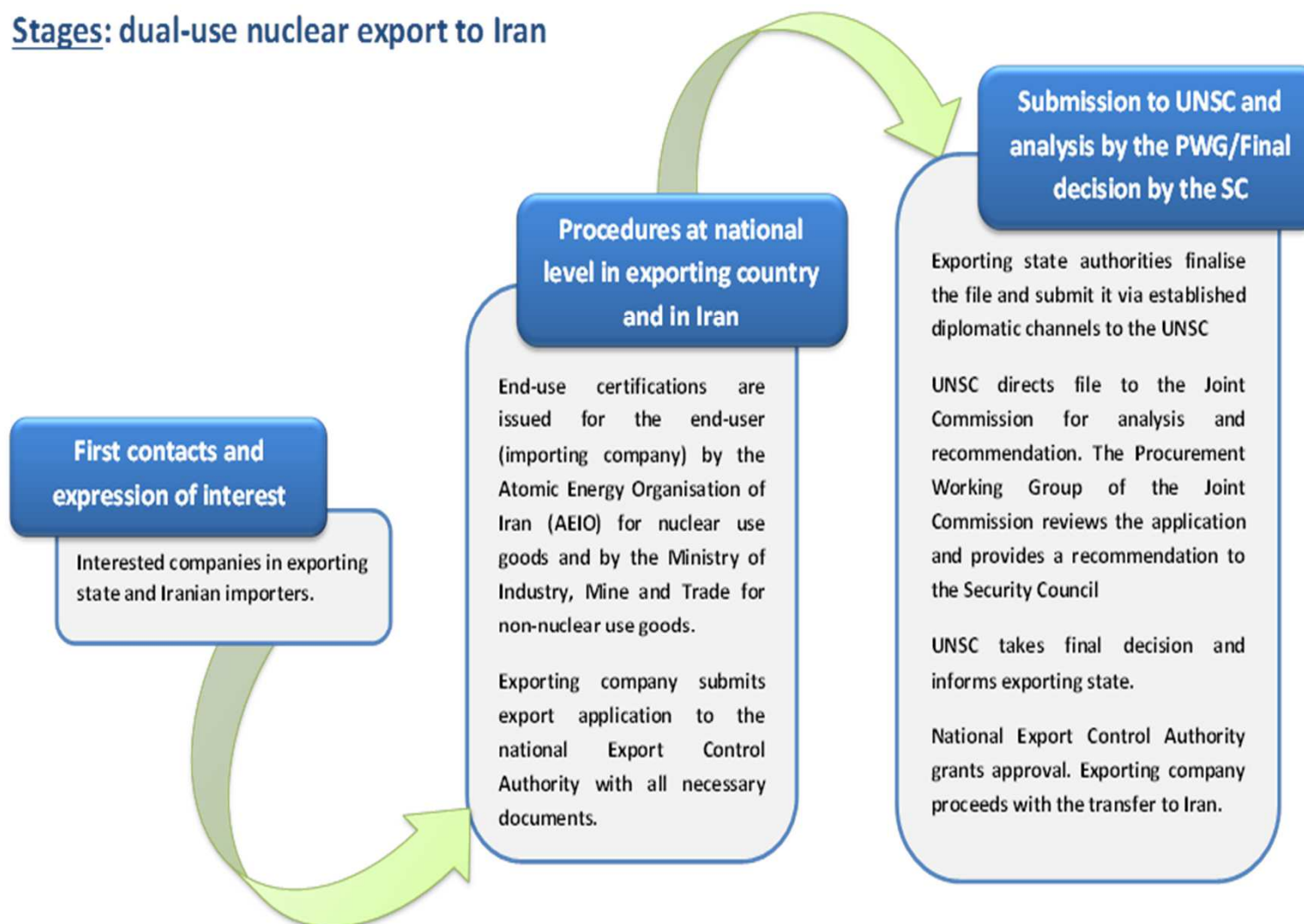


What is the Procurement Channel?

- The Procurement Channel **reviews proposals** by States seeking to participate in and permit certain transfers of nuclear or dual-use goods, technology, and/ or related services to Iran.
- **States submit proposals** to the Security Council.
- The Procurement Working Group of the Joint Commission will then **assess the application** and **provide a recommendation** to the Security Council.
- The Security Council will **decide** on the basis of this recommendation and **inform the State** about its decision.

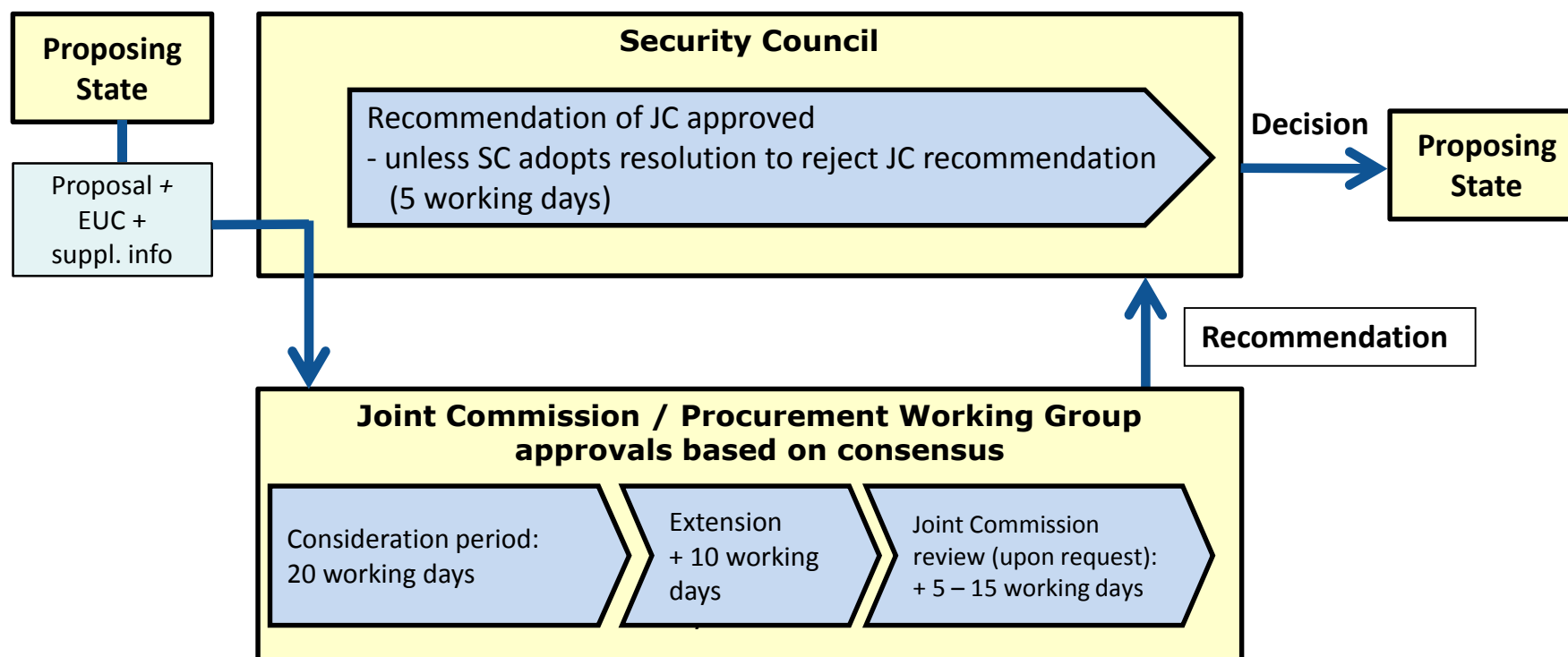


Stages: dual-use nuclear export to Iran





How are Proposals decided?





Necessary supporting information (Annex IV, 6.4.2):

- (a) description of the item;
- (b) exporting entity;
- (c) importing entity;
- (d) statement of the proposed end-use and end-use location, along with an end-use certification;

- (e) export license number, if available*;
- (f) contract date, if available*; and
- (g) details on transportation, if available*.

*** to be submitted prior to shipment**

Submission by proposing State to the Security Council

SC-Resolution2231@un.org

Model Application Form and Model End-Use Certificate

Available on the **website of the Security Council**
www.un.org/en/sc/2231

Language: One of the six official UN languages

Translation, if needed, before review by the Procurement Working Group by the UN Secretariat.



The procurement channel generally covers:

- Supply, sale or transfer of
 - nuclear (**NSG Part 1- trigger list**) and dual-use (**NSG Part 2 – dual use list**, when for nuclear and non-nuclear civilian end-uses) items and technology
- Provision to Iran of
 - technical assistance, training , financial assistance, investment, brokering or other services related to the supply, sale, transfer, manufacture, or use of nuclear and dual-use goods
- Acquisition by Iran of
 - interest in certain commercial nuclear-related activity in another State involving uranium mining or production or use of certain nuclear materials and technologies and certain related investments



- The supply, sale or transfer of
 - any further items if the relevant state determines that they could contribute to activities inconsistent with the JCPOA (**catch all**)
- Also subject to procurement mechanism
 - Hot cells,
 - shielded cells or
 - shielded glove boxes

For more detail see Annex B of UNSR 2231 and paragraph 6.1 of Annex IV of the JCPOA



Civil nuclear cooperation

- If States plan to transfer NSG – listed items, goods, technology under the framework of IAEA technical cooperation project or through civil nuclear cooperation projects, such transfers still need to be submitted to the UNSC for approval before they are transferred, even if the IAEA supports the projects.



Notification requirements

- For any items, materials, equipment, goods and technology that are approved by the Security Council the proposing State needs to notify the supply, sale or transfer to the **Security Council** within ten days of the supply, sale or transfer.
- In the case of supplied items, materials, equipment, goods and technology listed in the referenced INFCIRCs, the proposing State also needs to notify the **IAEA** within ten days of the supply, sale or transfer.



End-use verification

- **State** responsible for the end-use verification of non-nuclear related items, materials, goods and technology;
- **IAEA** responsible for the end-use verification of nuclear related items, materials, goods and technology;





Exemptions

- For light water reactors
- Goods, technology and services directly related to
 - stable isotope production at the Fordow facility;
 - export of Iran's enriched uranium in excess of 300 kg in return for natural uranium;
 - modernization of the Arak research reactor;

According to Annex B of UNSR 2231, other requirements, such as **notification to the Security Council and/or the Joint Commission**, must however be fulfilled!





Spectrum of current Proposals

Goods:

- Machine tools
- Measurement devices
- Electrical equipment
- Materials
- Pumps

Recipients:

- Automotive Industry
- Construction Industry
- Pharmaceutical Industry
- Medical
- Civil Nuclear Programs
- Packaging Industry
- Oil-, Gas and Petrochemical Industry
- Health Care





Resubmission of Disapprovals

- PWG/JC may give reasons for Dissapproval
- Disapproved proposals can be resubmitted





Summary

- PWG: fully operational, 21 meetings
- Procedures: assessed and updated
- Proposals reviewed and approved
- Confidentiality: statement published, electronic database launched
- Documentation, forms, explanatory notes: published and updated
- Outreach: ongoing activities
- Reports to UNSC: submitted every six months





More information can be found on the dedicated UNSC webpage

"Nuclear-related transfers and activities (procurement channel)"

<http://www.un.org/en/sc/2231/restrictions-nuclear.shtml>

Contact information:

- Security Council: SC-Resolution2231@un.org
- Joint Commission/Procurement Working Group: pwg-enquire@eeas.europa.eu