

# Procurement Outreach in Revealing Proliferation Networks

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*Atoms for Peace: The First Half Century  
1957-2007*

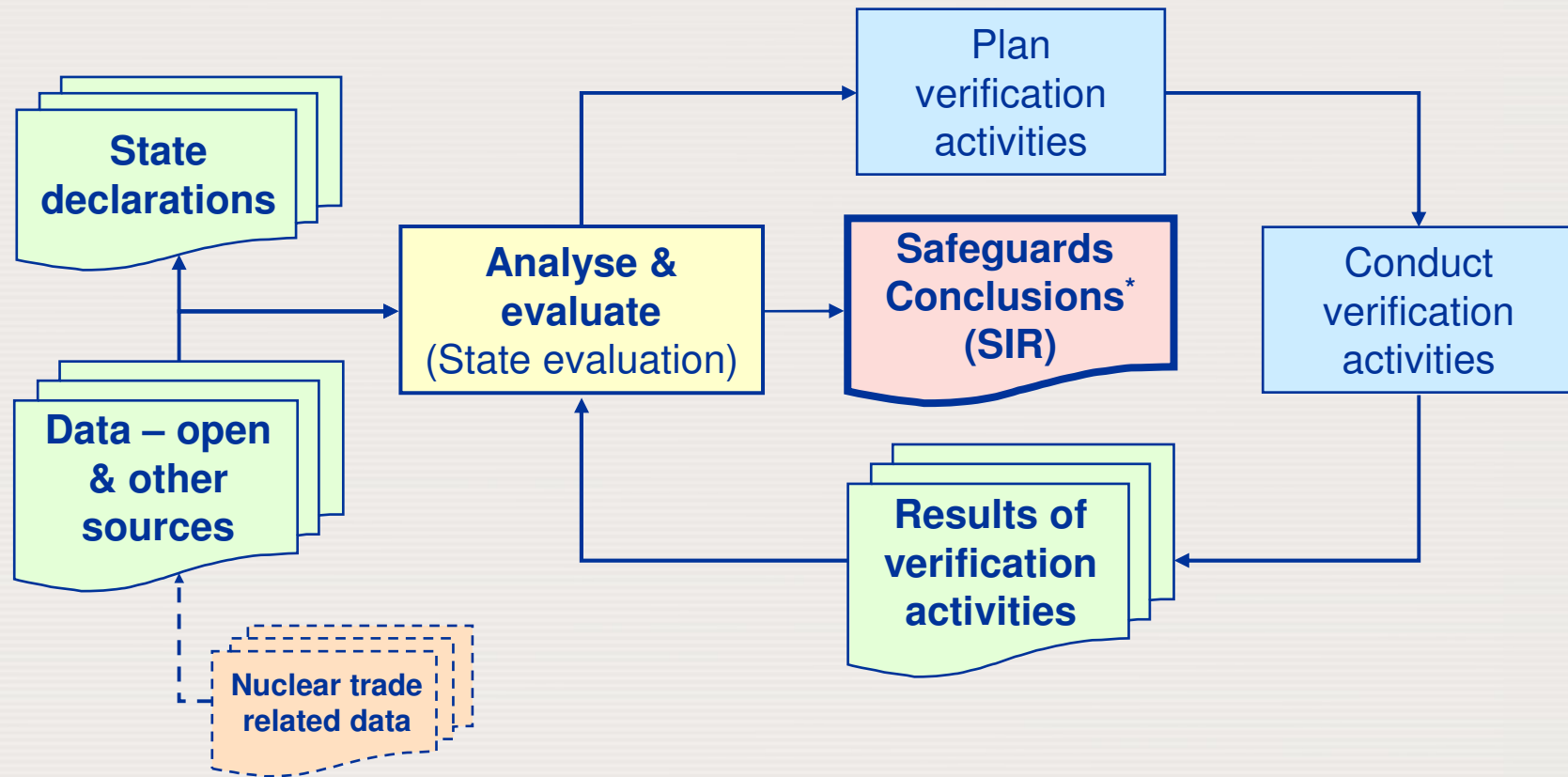
# Background

- **Late 2003 – awareness of clandestine trade in sensitive nuclear technology was suddenly heightened**
- **2004 – BoG requested investigations**
- **Agency intensified analysis of fuel cycle**
  - Equipment, materials, services, know-how
  - Nuclear related trade
  - State declarations, verification activities, open and other information sources
  - 2004 – Nuclear Trade Analysis Unit (NUTRAN)

✓ ***Safeguards challenges trans-national (non-state actors)***

# Drawing safeguards conclusions

All information available to the Agency is used for State evaluation



✓ **Conclusions – (a) all nuclear material remained in peaceful activities or (b) declared nuclear material remained in peaceful activities**

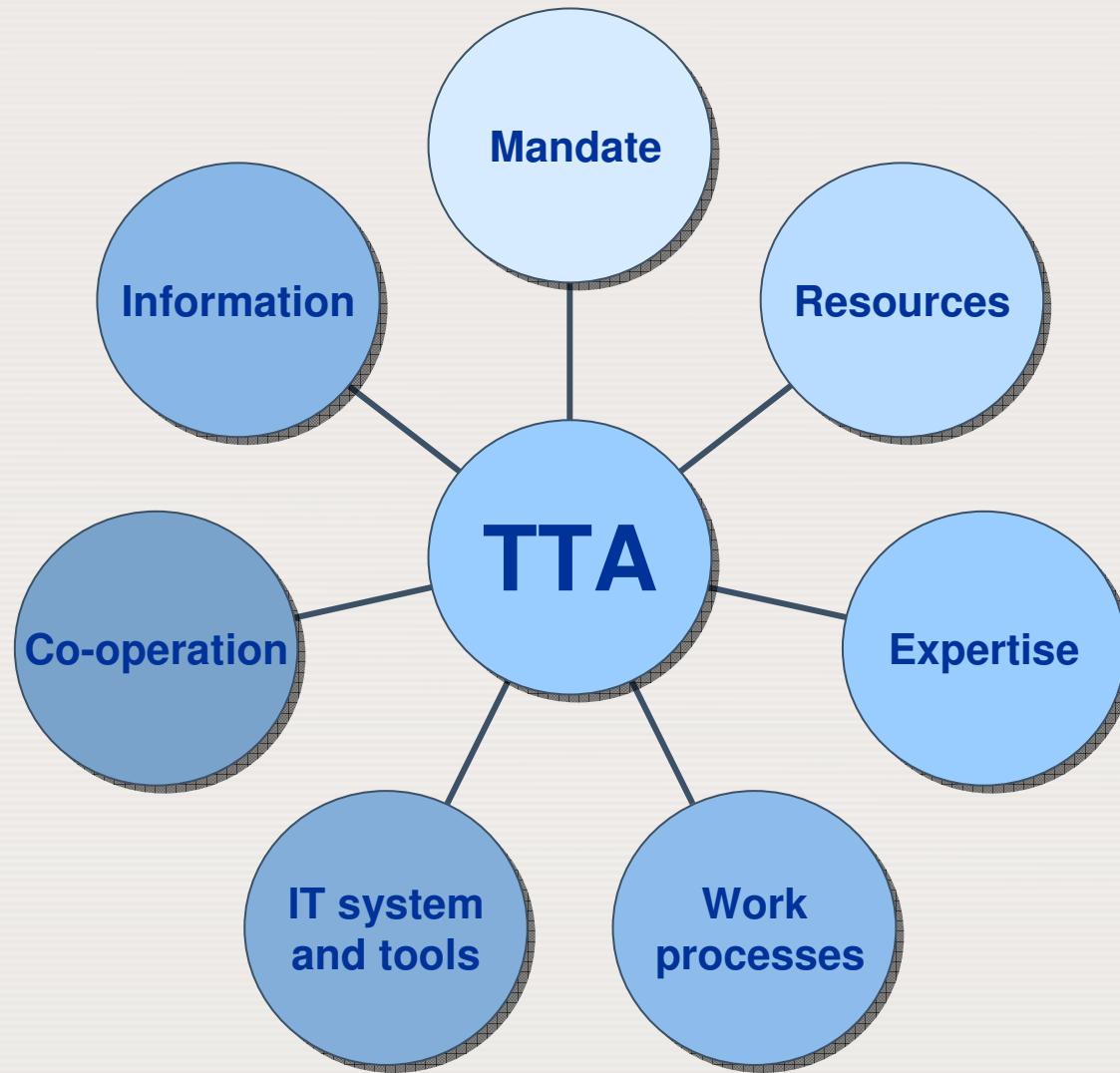
# Objectives of nuclear trade analysis

NUTRAN renamed 2007 Nuclear Trade and Technology Analysis Unit (TTA)

- **Centralize analysis of all procurement networks related information available to Agency**
  - **Investigate and accumulate knowledge of known networks**
  - **Search and reveal presently unknown networks**
  - **Maintain institutional memory on covert nuclear related procurement activities**
- ✓ ***Nuclear trade analysis supports safeguards State evaluation (completeness)***

# Effective nuclear trade analysis

Nuclear Trade and Technology Analysis Unit (TTA)



# IAEA General Conference 2005 & 2006

- **Resolution GC(49)/RES/13, para 21**
- **Resolution GC(50)/RES/14, para 24**
  - ... “Welcomes efforts to strengthen safeguards, including the Secretariat’s activities in verifying and analysing information provided by Member States on nuclear supply and procurement, taking into account the need for efficiency, and invites all States to cooperate with the Agency in this regard”

✓ ***Clear mandate for nuclear trade analysis***

# Procurement Tracking System (PTS)

Supports analysis, visualization and reporting of structured data

**Procurement Tracking System - 1.4.0**

Documents Cases Entities Links Search

Organization Person Procurement Account

Organization Search

**Information**

Name:

Country:  Type:

1<sup>st</sup> Known Date:  Last Known Date:

Data Quality:

Update Clear

**Communication**

Locator	City	Country	Type	Confidence
43940342			Telephone	High confidence
43332226			Telephone	High confidence
32963			P.O.Box	High confidence
43940352			Fax	High confidence
43331626			Fax	High confidence

**Location**

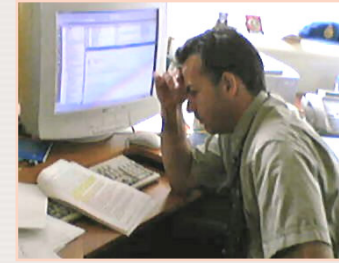
Address	Country	Type	Confidence

**Person**

Name

**Accounts**

Name



**IAEA**  
 الوكالة الدولية للطاقة الذرية  
 国际原子能机构  
 International Atomic Energy Agency  
 Agence internationale de l'énergie atomique  
 Международное агентство по атомной энергии  
 Organismo Internacional de Energía Atómica

**Procurement Tracking System**  
 Automated Structured Report

Generated By:

Date:

Number	From	To	Remarks
[3]	Person	Person	
[2]	Person	20	Personal

**Communications**

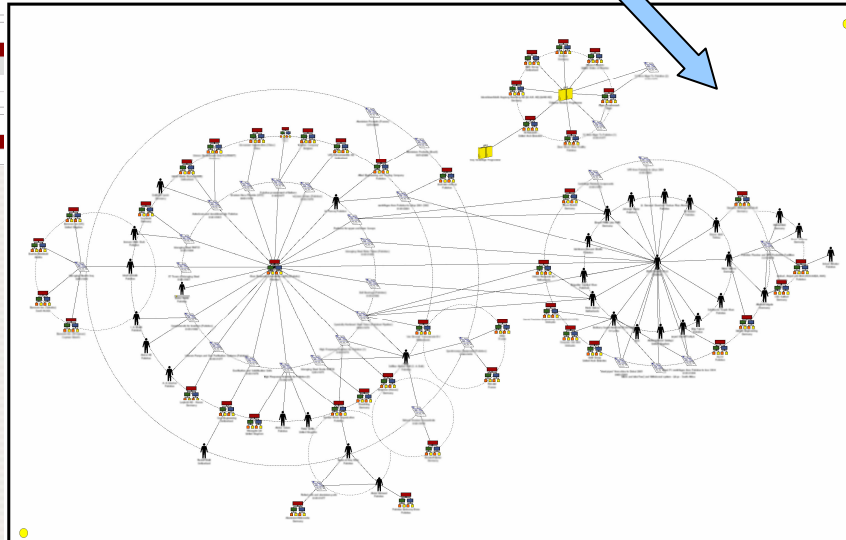
Number	Type	Value	Remarks
[0]	Email		
[0]	Other		
[1]	Telephone	43332226	
[1]	Fax	43331626	
[0]	URL	www.iaea.org/callsign.html	
[0]	P.O.Box	166	

**Communications**

Number	From	To	Remarks
[4]	Person	Person	
[3]	Person	Person	
[4]	Person	Person	
[10]	Person	Person	
[17]	Person	Person	
[14]	Person	Person	
[14]	Person	Person	
[14]	Person	Person	
[14]	Person	Person	
[14]	Person	Person	
[5]	Person	Person	

**Communications**

Number	From	To	Remarks
[3]	Person	Person	
[21]	Person	Person	
[19]	Person	Person	
[12]	Person	Person	From telexes and letters.



✓ **IT system for analysis and institutional memory**

# Cooperation and information

- **No verification tools available for trans-national proliferation challenges**
- **IAEA relies on Member States' support**
  - Safeguards relevant nuclear trade related information
  - Expertise, R&D, training, best practices, etc.
- **Procurement outreach**
  - Mechanism to acquire suspicious procurement enquiry data from companies
  - Voluntary, bilateral cooperation with States

**✓ *Member States' support of crucial importance***

# Procurement outreach – premise

- **Entities leave visible traces when trying to acquire nuclear related goods and services**
  - Can be related to single, dual, or multi-use items
- **Access can be gained to such visible traces by contacting the industrial base**
- **Choice of companies based on nuclear related industrial processes rather than control lists or States**

**✓ Outreach – new source of information**

# Suspicious enquiries

- **Communications from potential purchasers to companies**
  - Faxes, emails, other contact data
  - Usually thrown away as useless contacts
  - Goods in themselves may not be dubious
  - Agency helps to identify suspicious enquiries
- **IAEA asks for**
  - Full original documents or copies
  - Relevant details will be extracted, stored and analysed

✓ ***Suspicious enquiries provide valuable data***

# Procurement outreach

- **Complementary mechanism to**
  - Obtain unique information from diverse primary sources
  - Early recognition of current & possible future covert nuclear trade – what goods are being sought by which suspicious organizations
- **Targets intermediate traders to find both State and non-State players**
- **Not focused on States, not controlling exports**

✓ ***Outreach introduced to 15 States***

# Conclusions

- **Nuclear trade and technology analysis aims at further improving IAEA's possibilities to respond to transnational proliferation risks**
  - Member States' support remains of crucial importance
  - Information, expertise, training, R&D
- **Procurement outreach responds to IAEA General Conference invitation for all States to cooperate with the Agency to strengthen safeguards**