

## Calendar No. 381

106TH CONGRESS  
1ST SESSION**H. R. 1477**

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IN THE SENATE OF THE UNITED STATES

JULY 21, 1999

Received; read twice and referred to the Committee on Foreign Relations

NOVEMBER 3, 1999

Reported by Mr. HELMS, without amendment

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**AN ACT**

To withhold voluntary proportional assistance for programs and projects of the International Atomic Energy Agency relating to the development and completion of the Bushehr nuclear power plant in Iran, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Iran Nuclear Prolifera-  
5 tion Prevention Act of 1999”.

6 **SEC. 2. FINDINGS.**

7 The Congress makes the following findings:

1           (1) Iran remains the world's leading sponsor of  
2 international terrorism and is on the Department of  
3 State's list of countries that provide support for acts  
4 of international terrorism.

5           (2) Iran has repeatedly called for the destruc-  
6 tion of Israel and Iran supports organizations, such  
7 as Hizballah, Hamas, and the Palestine Islamic  
8 Jihad, which are responsible for terrorist attacks  
9 against Israel.

10          (3) Iranian officials have stated their intent to  
11 complete at least three nuclear power plants by 2015  
12 and are currently working to complete the Bushehr  
13 nuclear power plant located on the Persian Gulf  
14 coast.

15          (4) The United States has publicly opposed the  
16 completion of reactors at the Bushehr nuclear power  
17 plant because the transfer of civilian nuclear tech-  
18 nology and training could help to advance Iran's nu-  
19 clear weapons program.

20          (5) In an April 1997 hearing before the Sub-  
21 committee on Near Eastern and South Asian Affairs  
22 of the Committee on Foreign Relations of the Sen-  
23 ate, the former Director of the Central Intelligence  
24 Agency, James Woolsey, stated that through the op-  
25 eration of the nuclear power reactor at the Bushehr

1 nuclear power plant, Iran will develop substantial ex-  
2 pertise relevant to the development of nuclear weap-  
3 ons.

4 (6) Construction of the Bushehr nuclear power  
5 plant was halted following the 1979 revolution in  
6 Iran because the former West Germany refused to  
7 assist in the completion of the plant due to concerns  
8 that completion of the plant could provide Iran with  
9 expertise and technology which could advance Iran's  
10 nuclear weapons program.

11 (7) In January 1995 Iran signed a  
12 \$780,000,000 contract with the Russian Federation  
13 for Atomic Energy (MINATOM) to complete a  
14 VVER-1000 pressurized-light water reactor at the  
15 Bushehr nuclear power plant and in November  
16 1998, Iran and Russia signed a protocol to expedite  
17 the construction of the nuclear reactor, setting a  
18 new timeframe of 52 months for its completion.

19 (8) In November 1998, Iran asked Russia to  
20 prepare a feasibility study to build three more nu-  
21 clear reactors at the Bushehr site.

22 (9) Iran is building up its offensive military ca-  
23 pacity in other areas as evidenced by its recent test-  
24 ing of engines for ballistic missiles capable of car-

1       rying 2,200 pound warheads more than 800 miles,  
2       within range of strategic targets in Israel.

3               (10) Iran ranks tenth among the 105 nations  
4       receiving assistance from the technical cooperation  
5       program of the International Atomic Energy Agen-  
6       cy.

7               (11) Between 1995 and 1999, the International  
8       Atomic Energy Agency has provided and is expected  
9       to provide a total of \$1,550,000 through its Tech-  
10      nical Assistance and Cooperation Fund for the Ira-  
11      nian nuclear power program, including reactors at  
12      the Bushehr nuclear power plant.

13              (12) In 1999 the International Atomic Energy  
14      Agency initiated a program to assist Iran in the area  
15      of uranium exploration. At the same time it is be-  
16      lieved that Iran is seeking to acquire the requisite  
17      technology to enrich uranium to weapons-grade lev-  
18      els.

19              (13) The United States provides annual con-  
20      tributions to the International Atomic Energy Agen-  
21      cy which total more than 25 percent of the annual  
22      assessed budget of the Agency and the United  
23      States also provides annual voluntary contributions  
24      to the Technical Assistance and Cooperation Fund  
25      of the Agency which total approximately 32 percent

1 (\$18,250,000 in 1999) of the annual budget of the  
2 program.

3 (14) The United States should not voluntarily  
4 provide funding for the completion of nuclear power  
5 reactors which could provide Iran with substantial  
6 expertise to advance its nuclear weapons program  
7 and potentially pose a threat to the United States or  
8 its allies.

9 (15) Iran has no need for nuclear energy be-  
10 cause of its immense oil and natural gas reserves  
11 which are equivalent to 9.3 percent of the world's re-  
12 serves and Iran has 73,000,000,000 cubic feet of  
13 natural gas, an amount second only to the natural  
14 gas reserves of Russia.

15 **SEC. 3. WITHHOLDING OF VOLUNTARY CONTRIBUTIONS TO**  
16 **THE INTERNATIONAL ATOMIC ENERGY AGEN-**  
17 **CY FOR PROGRAMS AND PROJECTS IN IRAN.**

18 Section 307 of the Foreign Assistance Act of 1961  
19 (22 U.S.C. 2227) is amended by adding at the end the  
20 following:

21 “(d) Notwithstanding subsection (c), the limitations  
22 of subsection (a) shall apply to programs and projects of  
23 the International Atomic Energy Agency in Iran, unless  
24 the Secretary of State makes a determination in writing  
25 to the Committee on International Relations of the House

1 of Representatives and the Committee on Foreign Rela-  
2 tions of the Senate that such programs and projects are  
3 consistent with United States nuclear nonproliferation and  
4 safety goals, will not provide Iran with training or exper-  
5 tise relevant to the development of nuclear weapons, and  
6 are not being used as a cover for the acquisition of sen-  
7 sitive nuclear technology. A determination made by the  
8 Secretary of State under the preceding sentence shall be  
9 effective for the 1-year period beginning on the date of  
10 the determination.”.

11 **SEC. 4. ANNUAL REVIEW BY SECRETARY OF STATE OF PRO-**  
12 **GRAMS AND PROJECTS OF THE INTER-**  
13 **NATIONAL ATOMIC ENERGY AGENCY; UNITED**  
14 **STATES OPPOSITION TO PROGRAMS AND**  
15 **PROJECTS OF THE AGENCY IN IRAN.**

16 (a) ANNUAL REVIEW.—

17 (1) IN GENERAL.—The Secretary of State shall  
18 undertake a comprehensive annual review of all pro-  
19 grams and projects of the International Atomic En-  
20 ergy Agency in the countries described in section  
21 307(a) of the Foreign Assistance Act of 1961 (22  
22 U.S.C. 2227(a)) and shall determine if such pro-  
23 grams and projects are consistent with United  
24 States nuclear nonproliferation and safety goals.

1           (2) REPORT.—Not later than 1 year after the  
2           date of the enactment of this Act and on an annual  
3           basis thereafter for 5 years, the Secretary shall pre-  
4           pare and submit to the Congress a report containing  
5           the results of the review under paragraph (1).

6           (b) OPPOSITION TO CERTAIN PROGRAMS AND  
7           PROJECTS OF INTERNATIONAL ATOMIC ENERGY AGEN-  
8           CY.—The Secretary of State shall direct the United States  
9           representative to the International Atomic Energy Agency  
10          to oppose programs of the Agency that are determined by  
11          the Secretary under the review conducted under sub-  
12          section (a)(1) to be inconsistent with nuclear nonprolifera-  
13          tion and safety goals of the United States.

14       **SEC. 5. REPORTING REQUIREMENTS.**

15          (a) IN GENERAL.—Not later than 180 days after the  
16          date of the enactment of this Act and on an annual basis  
17          thereafter for 5 years, the Secretary of State, in consulta-  
18          tion with the United States representative to the Inter-  
19          national Atomic Energy Agency, shall prepare and submit  
20          to the Congress a report that—

21               (1) describes the total amount of annual assist-  
22               ance to Iran from the International Atomic Energy  
23               Agency, a list of Iranian officials in leadership posi-  
24               tions at the Agency, the expected timeframe for the  
25               completion of the nuclear power reactors at the

1 Bushehr nuclear power plant, and a summary of the  
2 nuclear materials and technology transferred to Iran  
3 from the Agency in the preceding year which could  
4 assist in the development of Iran's nuclear weapons  
5 program; and

6 (2) contains a description of all programs and  
7 projects of the International Atomic Energy Agency  
8 in each country described in section 307(a) of the  
9 Foreign Assistance Act of 1961 (22 U.S.C. 2227(a))  
10 and any inconsistencies between the technical co-  
11 operation and assistance programs and projects of  
12 the Agency and United States nuclear nonprolifera-  
13 tion and safety goals in these countries.

14 (b) **ADDITIONAL REQUIREMENT.**—The report re-  
15 quired to be submitted under subsection (a) shall be sub-  
16 mitted in an unclassified form, to the extent appropriate,  
17 but may include a classified annex.

18 **SEC. 6. SENSE OF THE CONGRESS.**

19 It is the sense of the Congress that the United States  
20 Government should pursue internal reforms at the Inter-  
21 national Atomic Energy Agency that will ensure that all  
22 programs and projects funded under the Technical Co-  
23 operation and Assistance Fund of the Agency are compat-



- 1 ible with United States nuclear nonproliferation policy and
- 2 international nuclear nonproliferation norms.

Passed the House of Representatives July 19, 1999.

Attest: JEFF TRANDAHL,  
*Clerk.*

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