

No. 26332

**INTERNATIONAL ATOMIC ENERGY AGENCY
and
ALBANIA**

Agreement for the application of safeguards to all nuclear activities of Albania (with related letters). Signed at Vienna on 1 July 1986

Authentic text: English.

Authentic texts of the related letters: Albanian and French.

Registered by the International Atomic Energy Agency on 28 November 1988.

**AGENCE INTERNATIONALE DE L'ÉNERGIE
ATOMIQUE
et
ALBANIE**

Accord relatif à l'application de garanties à toutes les activités nucléaires de l'Albanie (avec lettres connexes). Signé à Vienne le 1^{er} juillet 1986

Texte authentique : anglais.

Textes authentiques des lettres connexes : albanais et français.

Enregistré par l'Agence internationale de l'énergie atomique le 28 novembre 1988.

AGREEMENT¹ BETWEEN THE PEOPLE'S SOCIALIST REPUBLIC OF ALBANIA AND THE INTERNATIONAL ATOMIC ENERGY AGENCY FOR THE APPLICATION OF SAFEGUARDS TO ALL NUCLEAR ACTIVITIES OF ALBANIA

Whereas the People's Socialist Republic of Albania (hereinafter referred to as "Albania") has requested the International Atomic Energy Agency (hereinafter referred to as "the Agency") to apply safeguards to all its nuclear activities;

Whereas the Agency is authorized, pursuant to Article III of its Statute,² to conclude such agreements;

Now therefore Albania and the Agency have agreed as follows:

PART I

BASIC UNDERTAKING

Article 1

Albania undertakes that no nuclear material or facility within its territory, or under its jurisdiction or control anywhere shall be used for the manufacture of any nuclear weapon or to further any other military purpose or for the manufacture of any other nuclear explosive device and to accept safeguards as set forth in this Agreement.

APPLICATION OF SAFEGUARDS

Article 2

The Agency undertakes to apply safeguards in accordance with the terms of this Agreement to the nuclear material and facilities referred to in Article 1 so as to ensure as far as it is able that such nuclear material and facilities are not used for the manufacture of any nuclear weapon or to further any other military purpose or for the manufacture of any other nuclear explosive device.

CO-OPERATION BETWEEN ALBANIA AND THE AGENCY

Article 3

Albania and the Agency shall co-operate to facilitate the implementation of the safeguards provided for in this Agreement.

IMPLEMENTATION OF SAFEGUARDS

Article 4

The safeguards provided for in this Agreement shall be implemented in a manner designed:

¹ Came into force on 25 March 1988, the date of receipt of the written notification from Albania that the statutory and constitutional requirements had been met, in accordance with article 24.

² United Nations, *Treaty Series*, vol. 276, p. 3.

- (a) To avoid hampering the economic and technological development of Albania or international co-operation in the field of peaceful nuclear activities, including international exchange of nuclear material;
- (b) To avoid undue interference in Albania's nuclear activities, and in particular in the operation of facilities; and
- (c) To be consistent with prudent management practices required for the economic and safe conduct of nuclear activities.

Article 5

(a) The Agency shall take every precaution to protect commercial and industrial secrets and other confidential information coming to its knowledge in the implementation of this Agreement.

(b) (i) The Agency shall not, except as authorized by Albania, publish or communicate to any State, organization or person any information obtained by it in connection with the implementation of this Agreement. However, specific information relating to the implementation of this Agreement may be given to the Board of Governors of the Agency (hereinafter referred to as "the Board") and to such Agency staff members as require such knowledge by reason of their official duties in connection with safeguards, but only to the extent necessary for the Agency to fulfil its responsibilities in implementing this Agreement.

(ii) Summarized information on items referred to in Article 1 subject to safeguards under this Agreement may be published upon decision of the Board if Albania agrees thereto.

Article 6

(a) The Agency shall, in implementing safeguards pursuant to this Agreement, take full account of technological developments in the field of safeguards, and shall make every effort to ensure optimum cost-effectiveness and the application of the principle of safeguarding effectively facilities and the flow of nuclear material subject to safeguards under this Agreement by use of instruments and other techniques at certain strategic points to the extent that present or future technology permits.

(b) In order to ensure optimum cost-effectiveness, use shall be made, for example, of such means as:

- (i) Containment as a means of defining material balance areas for accounting purposes;
- (ii) Statistical techniques and random sampling in evaluating the flow of nuclear material; and
- (iii) Concentration of verification procedures on those stages in the nuclear fuel cycle involving the production, processing, use or storage of nuclear material from which nuclear weapons or other nuclear explosive devices could readily be made, and minimization of verification procedures in respect of other nuclear material, on condition that this does not hamper the Agency in applying safeguards under this Agreement.

NATIONAL SYSTEM OF ACCOUNTING AND CONTROL

Article 7

(a) Albania shall establish and maintain a system of accounting for and control of all nuclear material and facilities subject to safeguards under this Agreement.

(b) The Agency shall apply safeguards in such a manner as to enable it to verify, in ascertaining that the obligations assumed by Albania in Article 1 are being fulfilled, findings of Albania's system. The Agency's verification shall include, *inter alia*, independent measurements and observations, conducted by the Agency in accordance with the procedures specified in Part II of this Agreement. The Agency, in its verification, shall take due account of the technical effectiveness of Albania's system.

PROVISION OF INFORMATION TO THE AGENCY

Article 8

(a) In order to ensure the effective implementation of safeguards under this Agreement, Albania shall, in accordance with the provisions set out in Part II of this Agreement, provide the Agency with information concerning nuclear material subject to safeguards under this Agreement and the features of facilities relevant to the application of safeguards.

(b) The Agency shall require only the minimum amount of information and data consistent with carrying out its responsibilities under this Agreement.

(c) If Albania so requests, the Agency shall be prepared to examine on premises of Albania design information which Albania regards as being of particular sensitivity. Such information need not be physically transmitted to the Agency provided that it remains readily available for further examination by the Agency on premises of Albania.

AGENCY INSPECTORS

Article 9

(a) (i) The Agency shall secure the consent of Albania to the designation of Agency inspectors to Albania.

(ii) If Albania, either upon proposal of a designation or at any other time after a designation has been made, objects to the designation, the Agency shall propose to Albania an alternative designation or designations.

(iii) If, as a result of the repeated refusal of Albania to accept the designation of Agency inspectors, inspections to be conducted under this Agreement would be impeded, such refusal shall be considered by the Board, upon referral by the Director General of the Agency (hereinafter referred to as "the Director General"), with a view to its taking appropriate action.

(b) Albania shall take the necessary steps to ensure the Agency inspectors can effectively discharge their functions under this Agreement.

(c) The visits and activities of Agency inspectors shall be so arranged as:

(i) To reduce to a minimum the possible inconvenience and disturbance to Albania and to the nuclear activities inspected; and

- (ii) To ensure protection of industrial secrets or any other confidential information coming to the inspectors' knowledge.

PRIVILEGES AND IMMUNITIES

Article 10

Albania shall accord to the Agency (including its property, funds and assets) and to its inspectors and other officials, performing functions under this Agreement, the same Privileges and Immunities as those set forth in the relevant provisions of the Agreement on the Privileges and Immunities of the International Atomic Energy Agency.¹

TERMINATION OF SAFEGUARDS

Article 11

Safeguards shall terminate:

- (a) On nuclear material upon determination by the Agency that the material has been consumed, or has been diluted in such a way that it is no longer usable for any nuclear activity relevant from the point of view of safeguards, or has become practicably irrecoverable;
- (b) On any facility upon determination by the Agency that it is no longer usable for any nuclear activity relevant from the point of view of safeguards.

TRANSFER OUT OF ALBANIA

Article 12

Albania shall give the Agency advance notification of intended transfers of nuclear material, facilities, specified equipment, specified material or relevant technological information out of Albania in accordance with provisions to be included in the Subsidiary Arrangements referred to in Article 38. Such transfers may only take place after the Agency has confirmed that it has made appropriate arrangements to apply safeguards.

PROVISIONS RELATING TO NUCLEAR MATERIAL TO BE USED IN NON-NUCLEAR ACTIVITIES

Article 13

Where nuclear material subject to safeguards under this Agreement is to be used in non-nuclear activities, such as the production of alloys or ceramics, Albania shall agree with the Agency, before the material is so used, on the circumstances under which the safeguards on such material may be terminated.

PHYSICAL PROTECTION

Article 14

Albania shall take adequate measures for ensuring the physical protection of nuclear material and facilities and shall be guided by the recommendations of the

¹ United Nations, *Treaty Series*, vol. 374, p. 147.

Agency with regard to such measures. Albania shall keep the Agency informed of such measures. Albania and the Agency shall consult from time to time regarding physical protection.

FINANCE

Article 15

Albania and the Agency will bear the expenses incurred by them in implementing their respective responsibilities under this Agreement. However, if Albania or persons under its jurisdiction incur extraordinary expenses as a result of a specific request by the Agency, the Agency shall reimburse such expenses provided that it has confirmed in writing in advance that it would do so. In any case the Agency shall bear the cost of any additional measuring or sampling which inspectors may request.

THIRD PARTY LIABILITY FOR NUCLEAR DAMAGE

Article 16

Albania shall ensure that any protection against third party liability in respect of nuclear damage, including any insurance or other financial security, which may be available under its laws or regulations shall apply to the Agency and its officials for the purpose of the implementation of this Agreement in the same way as that protection applies to nationals of Albania.

INTERNATIONAL RESPONSIBILITY

Article 17

Any claim by Albania against the Agency or by the Agency against Albania in respect of any damage resulting from the implementation of safeguards under this Agreement, other than damage arising out of a nuclear incident, shall be settled in accordance with international law.

MEASURES IN RELATION TO VERIFICATION OF COMPLIANCE

Article 18

If the Board, upon report of the Director General, decides that an action by Albania is essential and urgent in order to ensure verification that the obligations assumed by Albania in Article 1 are being fulfilled, the Board may call upon Albania to take the required action without delay, irrespective of whether procedures have been invoked pursuant to Article 22 of this Agreement for the settlement of a dispute.

Article 19

If the Board, upon examination of relevant information reported to it by the Director General, finds that the Agency is not able to verify that there has been compliance by Albania with the obligations assumed by Albania in Article 1, the Board may make the reports provided for in paragraph C of Article XII of the Statute of the Agency (hereinafter referred to as "the Statute") and may also take, where applicable, the other measures provided for in that paragraph. In taking such action the Board shall take account of the degree of assurance provided by

the safeguards measures that have been applied and shall afford Albania every reasonable opportunity to furnish the Board with any necessary reassurance.

INTERPRETATION AND APPLICATION OF THE AGREEMENT AND SETTLEMENT OF DISPUTES

Article 20

Albania and the Agency shall, at the request of either, consult about any question arising out of the interpretation or application of this Agreement.

Article 21

Albania shall have the right to request that any question arising out of the interpretation or application of this Agreement be considered by the Board. Albania shall be entitled to participate in the discussion of any such question by the Board.

Article 22

Any dispute arising out of the interpretation or application of this Agreement, except a dispute with regard to a finding by the Board under Article 19 or an action taken by the Board pursuant to such a finding, which is not settled by negotiation or another procedure agreed to by Albania and the Agency shall, at the request of either, be submitted to an arbitral tribunal composed as follows: Albania and the Agency shall each designate one arbitrator, and the two arbitrators so designated shall elect a third, who shall be the Chairman. If, within thirty days of the request for arbitration, either Albania or the Agency has not designated an arbitrator, either Albania or the Agency may request the President of the International Court of Justice to appoint an arbitrator. The same procedure shall apply if, within thirty days of the designation or appointment of the second arbitrator, the third arbitrator has not been elected. A majority of the members of the arbitral tribunal shall constitute a quorum, and all decisions shall require the concurrence of two arbitrators. The arbitral procedure shall be fixed by the tribunal. The decisions of the tribunal shall be binding on Albania and the Agency.

AMENDMENT OF THE AGREEMENT

Article 23

(a) Albania and the Agency shall, at the request of either, consult each other on amendment to this Agreement.

(b) All amendments shall require the agreement of Albania and the Agency.

(c) Amendments to this Agreement shall enter into force in the same conditions as entry into force of the Agreement itself.

(d) The Director General shall promptly inform all Member States of the Agency of any amendment to this Agreement.

ENTRY INTO FORCE AND DURATION

Article 24

This Agreement shall enter into force on the date upon which the Agency receives from Albania written notification that Albania's statutory and consti-

tutional requirements for entry into force have been met. The Director General shall promptly inform all Member States of the Agency of the entry into force of this Agreement.

Article 25

(a) This Agreement shall remain in force for an initial period of 25 years. It may be terminated at that time if notice of termination has been given by either party at least 6 months prior to the expiration of the 25 year-period. Otherwise the Agreement shall stand renewed thereafter for periods of 10 years unless 6 months' notice of termination has been given by either of the parties before the end of any such 10-year period.

(b) If this Agreement is terminated for any reason:

- (i) Safeguards shall continue to apply with respect to nuclear material and facilities referred to in Article 1 which are subject to safeguards on the date of termination and any nuclear material produced, processed or used in or in connection with such nuclear material or facility after the termination of this Agreement, including subsequent generations of produced nuclear material;
- (ii) Safeguards shall also apply with respect to any nuclear facility or nuclear material if so required pursuant to an undertaking which Albania may have given. Albania shall provide the Agency with necessary information whether such a requirement exists with respect to a nuclear material or nuclear facility in Albania, if so requested by the Agency.

PART II

INTRODUCTION

Article 26

The purpose of this part of the Agreement is to specify the procedures to be applied in the implementation of the safeguards provisions of Part I.

OBJECTIVE OF SAFEGUARDS

Article 27

The objective of the safeguards procedures set forth in this part of the Agreement is the timely detection of diversion of significant quantities of nuclear material to the manufacture of nuclear weapons, to further any other military purpose, for the manufacture of any other nuclear explosive device or for purposes unknown, and deterrence of such diversion by the risk of early detection. The objective of the safeguards procedures is also the timely detection of any non-compliance with the obligations assumed by Albania in respect of facilities referred to in Article 1.

Article 28

For the purpose of achieving the objective set forth in Article 27, material accountancy shall be used as a safeguards measure of fundamental importance, with containment and surveillance as important complementary measures.

Article 29

The technical conclusion of the Agency's verification activities in respect of nuclear material shall be a statement, in respect of each material balance area, of the amount of material unaccounted for over a specific period, and giving the limits of accuracy of the amounts stated. The technical conclusion in respect of facilities shall be a statement that the Agency has not detected the misuse of facilities subject to safeguards under this Agreement contrary to the terms of the undertaking in Article 1.

NATIONAL SYSTEM OF ACCOUNTING AND CONTROL

Article 30

Pursuant to Article 7 the Agency, in carrying out its verification activities, shall make full use of Albania's system of accounting for and control of all nuclear material and facilities subject to safeguards under this Agreement and shall avoid unnecessary duplication of Albania's accounting and control activities.

Article 31

Albania's system of accounting for and control of all nuclear material and facilities subject to safeguards under this Agreement shall be based on a structure of material balance areas, and shall make provision, as appropriate and specified in the Subsidiary Arrangements, for the establishment of such measures as:

- (a) A measurement system for the determination of the quantities of nuclear material received, produced, shipped, lost or otherwise removed from inventory, and the quantities on inventory;
- (b) The evaluation of precision and accuracy of measurements and the estimation of measurement uncertainty;
- (c) Procedures for identifying, reviewing and evaluating differences in shipper/receiver measurements;
- (d) Procedures for taking a physical inventory;
- (e) Procedures for the evaluation of accumulations of unmeasured inventory and unmeasured losses;
- (f) A system of records and reports showing, for each material balance area, the inventory of nuclear material and the changes in that inventory including receipts into and transfers out of the material balance area;
- (g) A system of records and reports showing the particular stage of construction, commissioning, operation and decommissioning of facilities.
- (h) Provisions to ensure that the accounting procedures and arrangements are being operated correctly; and
- (i) Procedures for the provision of reports to the Agency in accordance with Articles 58-69.

STARTING POINT OF SAFEGUARDS

Article 32

Safeguards under this Agreement shall not apply to material in mining or ore processing activities.

Article 33

(a) When any material containing uranium or thorium which has not reached the stage of the nuclear fuel cycle described in paragraph (c) is directly or indirectly exported to a non-nuclear-weapon State, Albania shall inform the Agency of its quantity, composition and destination, unless the material is exported for specifically non-nuclear purposes.

(b) When any material containing uranium or thorium which has not reached the stage of the nuclear fuel cycle described in paragraph (c) is imported, Albania shall inform the Agency of its quantity and composition, unless the material is imported for specifically non-nuclear purposes; and

(c) When any nuclear material of a composition and purity suitable for fuel fabrication or for isotopic enrichment leaves the plant or the process stage in which it has been produced, or when such nuclear material, or any other nuclear material produced at a later stage in the nuclear fuel cycle, is imported into Albania, the nuclear material shall become subject to the other safeguards procedures specified in this Agreement.

TERMINATION OF SAFEGUARDS

Article 34

(a) Safeguards shall terminate on nuclear material subject to safeguards under this Agreement under the conditions set forth in Article 11(a). Where the conditions of Article 11(a) are not met, but Albania considers that the recovery of safeguarded nuclear material from residues is not for the time being practicable or desirable, Albania and the Agency shall consult on the appropriate safeguards measures to be applied.

(b) Safeguards shall terminate on nuclear material subject to safeguards under this Agreement, under the conditions set forth in Article 13, provided that Albania and the Agency agree that such nuclear material is practicably irrecoverable.

(c) Safeguards shall terminate on a facility subject to safeguards under this Agreement under the conditions set forth in Article 11(b).

EXEMPTIONS FROM SAFEGUARDS

Article 35

At the request of Albania, the Agency shall exempt nuclear material from safeguards, as follows:

- (a) Special fissionable material, when it is used in gram quantities or less as a sensing component in instruments;
- (b) Nuclear material, when it is used in non-nuclear activities in accordance with Article 13, if such nuclear material is recoverable; and
- (c) Plutonium with an isotopic concentration of plutonium-238 exceeding 80%.

Article 36

At the request of Albania the Agency shall exempt from safeguards nuclear material that would otherwise be subject to safeguards, provided that the total

quantity of nuclear material which has been exempted in Albania in accordance with this Article may not at any time exceed:

- (a) One kilogram in total of special fissionable material, which may consist of one or more of the following:
 - (i) Plutonium;
 - (ii) Uranium with an enrichment of 0.2 (20%) and above, taken account of by multiplying its weight by its enrichment; and
 - (iii) Uranium with an enrichment below 0.2 (20%) and above that of natural uranium, taken account of by multiplying its weight by five times the square of its enrichment;
 - (b) Ten metric tons in total of natural uranium and depleted uranium with an enrichment above 0.005 (0.5%);
 - (c) Twenty metric tons of depleted uranium with an enrichment of 0.005 (0.5%) or below; and
 - (d) Twenty metric tons of thorium;
- or such greater amounts as may be specified by the Board for uniform application.

Article 37

If exempted nuclear material is to be processed or stored together with nuclear material subject to safeguards under this Agreement, provision shall be made for the re-application of safeguards thereto.

SUBSIDIARY ARRANGEMENTS

Article 38

Albania and the Agency shall make Subsidiary Arrangements which shall specify in detail, to the extent necessary to permit the Agency to fulfil its responsibilities under this Agreement in an effective and efficient manner, how the procedures laid down in this Agreement are to be applied. The Subsidiary Arrangements may be extended or changed by agreement between Albania and the Agency without amendment of this Agreement.

Article 39

The Subsidiary Arrangements shall enter into force at the same time as, or as soon as possible after, the entry into force of this Agreement. Albania and the Agency shall make every effort to achieve their entry into force within ninety days of the entry into force of this Agreement; an extension of that period shall require agreement between Albania and the Agency. Albania shall provide the Agency promptly with the information required for completing the Subsidiary Arrangements. Upon the entry into force of this Agreement, the Agency shall have the right to apply the procedures laid down therein in respect of the nuclear material and facilities listed in the inventory provided for in Article 40, even if the Subsidiary Arrangements have not yet entered into force.

INVENTORY

Article 40

On the basis of the initial report referred to in Article 61, the Agency shall establish a unified inventory of all nuclear material in Albania subject to safe-

guards under this Agreement, irrespective of its origin and an inventory of facilities referred to in Article 1. The Agency shall maintain these inventories on the basis of subsequent reports and of the results of its verification activities. Copies of the inventories shall be made available to Albania at intervals to be agreed.

DESIGN INFORMATION

General provisions

Article 41

Pursuant to Article 8, design information in respect of existing facilities shall be provided to the Agency during the discussion of the Subsidiary Arrangements. The time limits for the provision of design information in respect of new facilities shall be specified in the Subsidiary Arrangements. The design information shall be provided as early as possible before nuclear material is introduced into a new facility.

Article 42

The design information to be provided to the Agency shall include, in respect of each facility, when applicable:

- (a) The identification of the facility, stating its general character, purpose, nominal capacity and geographic location, and the name and address to be used for routine business purposes;
- (b) A description of the general arrangement of the facility with reference, to the extent feasible, to the form, location and flow of nuclear material and to the general layout of important items of equipment which use, produce or process nuclear material;
- (c) A description of features of the facility relating to material accountancy, containment and surveillance; and
- (d) A description of the existing and proposed procedures at the facility for nuclear material accountancy and control, with special reference to material balance areas established by the operator, measurements of flow and procedures for physical inventory taking.

Article 43

Other information relevant to the application of safeguards shall also be provided to the Agency in respect of each facility, in particular on organizational responsibility for material accountancy and control. Albania shall provide the Agency with supplementary information on the health and safety procedures which the Agency shall observe and with which the inspectors shall comply at the facility.

Article 44

The Agency shall be provided with design information in respect of a modification relevant for safeguards purposes, for examination, and shall be informed of any change in the information provided to it under Article 43, sufficiently in advance for the safeguards procedures to be adjusted when necessary.

Article 45

Purposes of examination of design information

The design information provided to the Agency shall be used for the following purposes:

- (a) To identify the features of facilities and nuclear material relevant to the application of safeguards to nuclear material in sufficient detail to facilitate verification;
- (b) To determine compliance with facility safeguards requirements and to determine material balance areas to be used for Agency accounting purposes and to select those strategic points which are key measurement points and which will be used to determine flow and inventory of nuclear material; in determining such material balance areas the Agency shall, *inter alia*, use the following criteria:
 - (i) The size of the material balance area shall be related to the accuracy with which the material balance can be established;
 - (ii) In determining the material balance area advantage shall be taken of any opportunity to use containment and surveillance to help ensure the completeness of flow measurements and thereby to simplify the application of safeguards and to concentrate measurement efforts at key measurement points;
 - (iii) A number of material balance areas in use at a facility or at distinct sites may be combined in one material balance area to be used for Agency accounting purposes when the Agency determines that this is consistent with its verification requirements; and
 - (iv) A special material balance area may be established at the request of Albania around a process step involving commercially sensitive information;
- (c) To establish the nominal timing and procedures for taking of physical inventory of nuclear material for Agency accounting purposes;
- (d) To establish the records and reports requirements and records evaluation procedures;
- (e) To establish requirements and procedures for verification of the quantity and location of nuclear material; and
- (f) To select appropriate combinations of containment and surveillance methods and techniques and the strategic points at which they are to be applied.

The results of the examination of the design information shall be included in the Subsidiary Arrangements.

Article 46

Re-examination of design information

Design information shall be re-examined in the light of changes in operating conditions, of developments in safeguards technology or of experience in the application of verification procedures, with a view to modifying the action the Agency has taken pursuant to Article 45.

Article 47

Verification of design information

The Agency, in co-operation with Albania, may send inspectors to facilities to verify the design information provided to the Agency pursuant to Articles 41-44, for the purposes stated in Article 45.

INFORMATION IN RESPECT OF NUCLEAR MATERIAL OUTSIDE FACILITIES

Article 48

The Agency shall be provided with the following information when nuclear material is to be customarily used outside facilities, as applicable:

- (a) A general description of the use of the nuclear material, its geographic location, and the user's name and address for routine business purposes; and
- (b) A general description of the existing and proposed procedures for nuclear material accountancy and control, including organizational responsibility for material accountancy and control.

The Agency shall be informed, on a timely basis, of any change in the information provided to it under this Article.

Article 49

The information provided to the Agency pursuant to Article 48 may be used, to the extent relevant, for the purposes set out in Article 45(b)-(f).

RECORDS SYSTEM

General provisions

Article 50

In establishing its system of accounting for and control of nuclear material and facilities as referred to in Article 7, Albania shall arrange that records are kept in respect of each material balance area. The records to be kept shall be described in the Subsidiary Arrangements.

Article 51

Albania shall make arrangements to facilitate the examination of records by inspectors, particularly if the records are not kept in Arabic, Chinese, English, French, Russian or Spanish.

Article 52

Records shall be retained for at least five years.

Article 53

Records shall consist, as appropriate, of:

- (a) Accounting records of all nuclear material subject to safeguards under this Agreement; and
- (b) Operating records for facilities.

Article 54

The system of measurements on which the records used for the preparation of reports are based shall either conform to the latest international standards or be equivalent in quality to such standards.

*Accounting records**Article 55*

The accounting records shall set forth the following in respect of each material balance area:

- (a) All inventory changes, so as to permit a determination of the book inventory at any time;
- (b) All measurement results that are used for determination of the physical inventory; and
- (c) All adjustments and corrections that have been made in respect of inventory changes, book inventories and physical inventories.

Article 56

For all inventory changes and physical inventories the records shall show, in respect of each batch of nuclear material: material identification, batch data and source data. The records shall account for uranium, thorium and plutonium separately in each batch of nuclear material. For each inventory change, the date of the inventory change and, when appropriate, the originating material balance area and the receiving material balance area or the recipient, shall be indicated.

*Article 57**Operating records*

The operating records shall set forth, as appropriate, in respect of each material balance area and facility:

- (a) Those operating data which are used to establish changes in the quantities and composition of nuclear material;
- (b) The data obtained from the calibration of tanks and instruments and from sampling and analyses, the procedures to control the quality of measurements and the derived estimates of random and systematic error;
- (c) A description of the sequence of the actions taken in preparing for, and in taking, a physical inventory, in order to ensure that it is correct and complete;
- (d) A description of the actions taken in order to ascertain the cause and magnitude of any accidental or unmeasured loss that might occur; and
- (e) A description of the particular stages of construction, commissioning, operation and decommissioning of facilities.

REPORTS SYSTEM

*General provisions**Article 58*

Albania shall provide the Agency with reports as detailed in Articles 59-68 in respect of nuclear material and facilities subject to safeguards under this Agreement.

Article 59

Reports shall be made in Arabic, Chinese, English, French, Russian or Spanish, except as otherwise specified in the Subsidiary Arrangements.

Article 60

Reports shall be based on the records kept in accordance with Articles 50-57 and shall consist, as appropriate, of routine reports and special reports.

Routine reports

Article 61

The Agency shall be provided with an initial report on all nuclear material and facilities subject to safeguards under this Agreement. The initial report shall be dispatched by Albania to the Agency within thirty days of the last day of the calendar month in which this Agreement enters into force, and shall reflect the situation as of the last day of that month.

Article 62

Albania shall provide the Agency with the following accounting reports for each material balance area:

- (a) Inventory change reports showing all changes in the inventory of nuclear material. The reports shall be dispatched as soon as possible and in any event within thirty days after the end of the month in which the inventory changes occurred or were established; and
- (b) Material balance reports showing the material balance based on a physical inventory of nuclear material actually present in the material balance area. The reports shall be dispatched as soon as possible and in any event within thirty days after the physical inventory has been taken.

The report shall be based on data available as of the date of reporting and may be corrected at a later date, as required.

Article 63

Inventory change reports shall specify identification and batch data for each batch of nuclear material, the date of the inventory change and, as appropriate, the originating material balance area and the receiving material balance area or the recipient. These reports shall be accompanied by concise notes:

- (a) Explaining the inventory changes, on the basis of the operating data contained in the operating records provided for under Article 57(a); and
- (b) Describing, as specified in the Subsidiary Arrangements, the anticipated operational programme, particularly the taking of a physical inventory.

Article 64

Albania shall report each inventory change, adjustment and correction, either periodically in a consolidated list or individually. Inventory changes shall be reported in terms of batches. As specified in the Subsidiary Arrangements, small changes in inventory of nuclear material, such as transfers of analytical samples, may be combined in one batch and reported as one inventory change.

Article 65

The Agency shall provide Albania with semi-annual statements of book inventory of nuclear material subject to safeguards under this Agreement, for each material balance area, as based on the inventory change reports for the period covered by each such statement.

Article 66

Material balance reports shall include the following entries, unless otherwise agreed by Albania and the Agency:

- (a) Beginning physical inventory;
- (b) Inventory changes (first increases; then decreases);
- (c) Ending book inventory;
- (d) Shipper/receiver differences;
- (e) Adjusted ending book inventory;
- (f) Ending physical inventory; and
- (g) Material unaccounted for.

A statement of the physical inventory, listing all batches separately and specifying material identification and batch data for each batch, shall be attached to each material balance report.

Article 67

Albania shall provide the Agency with the following reports on facilities:

- (a) Reports whenever a particular stage, to be described in the Subsidiary Arrangement, in the construction of a facility has been reached;
- (b) A report when the construction of a facility is completed and when a facility is commissioned for operation;
- (c) If a facility does not contain any nuclear material, semi annual reports confirming that status; and
- (d) A report when a facility has ceased to operate or has been decommissioned.

*Article 68**Special reports*

Albania shall make special reports without delay:

- (a) If any unusual incident or circumstances lead Albania to believe that there is or may have been loss of nuclear material that exceeds the limits specified for this purpose in the Subsidiary Arrangements; or
- (b) If the containment has unexpectedly changed from that specified in the Subsidiary Arrangements to the extent that unauthorized removal of nuclear material has become possible.

*Article 69**Amplification and clarification of reports*

If the Agency so requests, Albania shall provide it with amplifications or clarifications of any report, in so far as relevant for the purpose of safeguards.

INSPECTIONS

*Article 70**General provisions*

The Agency shall have the right to make inspections as provided for in Articles 71-82.

*Purposes of inspections**Article 71*

The Agency may make *ad hoc* inspections in order to:

- (a) Verify the information contained in the initial report on the nuclear material subject to safeguards under this Agreement;
- (b) Identify and verify changes in the situation which have occurred since the date of the initial report; and
- (c) Identify, and if possible verify the quantity and composition of, nuclear material in accordance with Articles 93 and 96, before its transfer out of or upon its transfer into Albania.

Article 72

The Agency may make routine inspections in order to:

- (a) Verify that reports are consistent with records;
- (b) Verify the location, identity, quantity and composition of all nuclear material and status of facilities subject to safeguards under this Agreement; and
- (c) Verify information on the possible causes of material unaccounted for, shipper/receiver differences and uncertainties in the book inventory.

Article 73

Subject to the procedures laid down in Article 77, the Agency may make special inspections:

- (a) In order to verify the information contained in special reports; or
- (b) If the Agency considers that information made available by Albania, including explanations from Albania and information obtained from routine inspections, is not adequate for the Agency to fulfil its responsibilities under this Agreement.

An inspection shall be deemed to be special when it is either additional to the routine inspection effort provided for in Articles 78-82 or involves access to information or locations in addition to the access specified in Article 76 for *ad hoc* and routine inspections, or both.

*Scope of inspections**Article 74*

For the purposes specified in Articles 71-73, the Agency may:

- (a) Examine the records kept pursuant to Articles 50-57;

- (b) Make independent measurements of all nuclear material subject to safeguards under this Agreement;
- (c) Verify the functioning and calibration of instruments and other measuring and control equipment;
- (d) Apply and make use of surveillance and containment measures;
- (e) Use other objective methods which have been demonstrated to be technically feasible; and
- (f) Verify the operation and status of facilities subject to safeguards.

Article 75

Within the scope of Article 74, the Agency shall be enabled:

- (a) To observe that samples at key measurement points for material balance accountancy are taken in accordance with procedures which produce representative samples, to observe the treatment and analysis of the samples and to obtain duplicates of such samples;
- (b) To observe that the measurements of nuclear material at key measurement points for material balance accountancy are representative, and to observe the calibration of the instruments and equipment involved;
- (c) To make arrangements with Albania that, if necessary:
 - (i) Additional measurements are made and additional samples taken for the Agency's use;
 - (ii) The Agency's standard analytical samples are analysed;
 - (iii) Appropriate absolute standards are used in calibrating instruments and other equipment; and
 - (iv) Other calibrations are carried out;
- (d) To arrange to use its own equipment for independent measurement and surveillance, and if so agreed and specified in the Subsidiary Arrangements, to arrange to install such equipment;
- (e) To apply its seals and other identifying and tamper-indicating devices to containments, if so agreed and specified in the Subsidiary Arrangements; and
- (f) To make arrangements with Albania for the shipping of samples taken for the Agency's use.

Access for inspections

Article 76

(a) For the purposes specified in Article 71(a) and (b) and until such time as the strategic points have been specified in the Subsidiary Arrangements, the Agency inspectors shall have access to any location where the initial report or any inspections carried out in connection with it indicate that nuclear material is present and to any facility notified in the initial report;

(b) For the purposes specified in Article 71(c) the inspectors shall have access to any location of which the Agency has been notified in accordance with Articles 92(e)(iv) or 95(d)(iv);

(c) For the purposes specified in Article 72 the inspectors shall have access only to the strategic points specified in the Subsidiary Arrangements and to the records maintained pursuant to Articles 50-57; and

(d) In the event of Albania concluding that any unusual circumstances require extended limitations on access by the Agency, Albania and the Agency shall promptly make arrangements with a view to enabling the Agency to discharge its safeguards responsibilities in the light of these limitations. The Director General shall report each such arrangement to the Board.

Article 77

In circumstances which may lead to special inspections for the purposes specified in Article 73 Albania and the Agency shall consult forthwith. As a result of such consultations the Agency may:

- (a) Make inspections in addition to the routine inspection effort provided for in Articles 78-82; and
- (b) Obtain access, in agreement with Albania, to information or locations in addition to those specified in Article 76. Any disagreement concerning the need for additional access shall be resolved in accordance with Articles 21 and 22; in case action by Albania is essential and urgent, Article 18 shall apply.

Frequency and intensity of routine inspections

Article 78

The Agency shall keep the number, intensity and duration of routine inspections, applying optimum timing, to the minimum consistent with the effective implementation of the safeguards procedures set forth in this Agreement, and shall make the optimum and most economical use of inspection resources available to it.

Article 79

The Agency may carry out one routine inspection per year in respect of facilities and material balance areas outside facilities with a content or annual throughput, whichever is greater, of nuclear material not exceeding five effective kilograms.

Article 80

The number, intensity, duration, timing and mode of routine inspections in respect of facilities with a content or annual throughput of nuclear material exceeding five effective kilograms shall be determined on the basis that in the maximum or limiting case the inspection regime shall be no more intensive than is necessary and sufficient to maintain continuity of knowledge of the flow and inventory of nuclear material, and the maximum routine inspection effort in respect of such facilities shall be determined as follows:

- (a) For reactors and sealed storage installations the maximum total of routine inspection per year shall be determined by allowing one sixth of a man-year of inspection for each such facility;

- (b) For facilities, other than reactors or sealed storage installations, involving plutonium or uranium enriched to more than 5%, the maximum total of routine inspection per year shall be determined by allowing for each such facility $30 \times E$ man-days of inspection per year, where E is the inventory or annual throughput of nuclear material, whichever is greater, expressed in effective kilograms. The maximum established for any such facility shall not, however, be less than 1.5 man-years of inspection; and
- (c) For facilities not covered by paragraphs (a) or (b), the maximum total of routine inspection per year shall be determined by allowing for each such facility one third of a man-year of inspection plus $0.4 \times E$ man-days of inspection per year, where E is the inventory or annual throughput of nuclear material, whichever is greater, expressed in effective kilograms.

Albania and the Agency may agree to amend the figures for the maximum inspection effort specified in this Article, upon determination by the Board that such amendment is reasonable.

Article 81

Subject to Articles 78-80 the criteria to be used for determining the actual number, intensity, duration, timing and mode of routine inspections in respect of any facility shall include:

- (a) The form of the nuclear material, in particular, whether the nuclear material is in bulk form or contained in a number of separate items; its chemical composition and, in the case of uranium, whether it is of low or high enrichment; and its accessibility;
- (b) The effectiveness of Albania's accounting and control system, including the extent to which the operators of facilities are functionally independent of Albania's accounting and control system; the extent to which the measures specified in Article 31 have been implemented by Albania; the promptness of reports provided to the Agency; their consistency with the Agency's independent verification; and the amount and accuracy of the material unaccounted for, as verified by the Agency;
- (c) Characteristics of Albania's nuclear fuel cycle, in particular, the number and types of facilities, subject to safeguards, the characteristics of such facilities relevant to safeguards, notably the degree of containment; the extent to which the design of such facilities facilitates verification of the flow and inventory of nuclear material; and the extent to which information from different material balance areas can be correlated;
- (d) International interdependence, in particular, the extent to which nuclear material is received from or sent to other States for use or processing; any verification activities by the Agency in connection therewith; and the extent to which Albania's nuclear activities are interrelated with those of other States; and
- (e) Technical developments in the field of safeguards, including the use of statistical techniques and random sampling in evaluating the flow of nuclear material.

Article 82

Albania and the Agency shall consult if Albania considers that the inspection effort is being deployed with undue concentration on particular facilities.

*Notice of inspections**Article 83*

The Agency shall give advance notice to Albania before arrival of inspectors at facilities or material balance areas outside facilities, as follows:

- (a) For *ad hoc* inspections pursuant to Article 71(c), at least 24 hours; for those pursuant to Article 71(a) and (b) as well as the activities provided for in Article 47, at least one week;
- (b) For special inspections pursuant to Article 73, as promptly as possible after Albania and the Agency have consulted as provided for in Article 77, it being understood that notification of arrival normally will constitute part of the consultations; and
- (c) For routine inspections pursuant to Article 72, at least 24 hours in respect of the facilities referred to in Article 80(b) and sealed storage installations containing plutonium or uranium enriched to more than 5%, and one week in all other cases.

Such notice of inspections shall include the names of the inspectors and shall indicate the facilities and the material balance areas outside facilities to be visited and the periods during which they will be visited. If the inspectors are to arrive from outside Albania the Agency shall also give advance notice of the place and time of their arrival in Albania.

Article 84

Notwithstanding the provisions of Article 83, the Agency may, as a supplementary measure, carry out without advance notification a portion of the routine inspections pursuant to Article 80 in accordance with the principle of random sampling. In performing any unannounced inspections, the Agency shall fully take into account any operational programme provided by Albania pursuant to Article 63(b). Moreover, whenever practicable, and on the basis of the operational programme, it shall advise Albania periodically of its general programme of announced and unannounced inspections, specifying the general periods when inspections are foreseen. In carrying out any unannounced inspections, the Agency shall make every effort to minimize any practical difficulties for Albania and for facility operators, bearing in mind the relevant provisions of Articles 43 and 89. Similarly Albania shall make every effort to facilitate the task of the inspectors.

*Designation of inspectors**Article 85*

The following procedures shall apply to the designation of inspectors:

- (a) The Director General shall inform Albania in writing of the name, qualifications, nationality, grade and such other particulars as may be relevant, of each Agency official he proposes for designation as an inspector for Albania;
- (b) Albania shall inform the Director General within thirty days of the receipt of such a proposal whether it accepts the proposal;
- (c) The Director General may designate each official who has been accepted by Albania as one of the inspectors for Albania, and shall inform Albania of such designations; and

(d) The Director General, acting in response to a request by Albania or on his own initiative, shall immediately inform Albania of the withdrawal of the designation of any official as an inspector for Albania.

However, in respect of inspectors needed for the activities provided for in Article 47 and to carry out *ad hoc* inspections pursuant to Article 71(a) and (b) the designation procedures shall be completed if possible within thirty days after the entry into force of this Agreement. If such designation appears impossible within this time limit, inspectors for such purposes shall be designated on a temporary basis.

Article 86

Albania shall grant or renew as quickly as possible appropriate visas, where required, for each inspector designated for Albania.

Conduct and visits of inspectors

Article 87

Inspectors, in exercising their functions under Articles 47 and 71-75, shall carry out their activities in a manner designed to avoid hampering or delaying the construction, commissioning or operation of facilities, or affecting their safety. In particular inspectors shall not operate any facility themselves or direct the staff of a facility to carry out any operation. If inspectors consider that in pursuance of Articles 74 and 75, particular operations in a facility should be carried out by the operator, they shall make a request therefor.

Article 88

When inspectors require services available in Albania, including the use of equipment, in connection with the performance of inspections, Albania shall facilitate the procurement of such services and the use of such equipment by inspectors.

Article 89

Albania shall have the right to have inspectors accompanied during their inspections by representatives of Albania, provided that inspectors shall not thereby be delayed or otherwise impeded in the exercise of their functions.

STATEMENTS ON THE AGENCY'S VERIFICATION ACTIVITIES

Article 90

The Agency shall inform Albania of:

- (a) The results of inspections, at intervals to be specified in the Subsidiary Arrangements;
- (b) The conclusions it has drawn from its verification activities in Albania, in particular by means of statements in respect of each material balance area, which shall be made as soon as possible after a physical inventory has been taken and verified by the Agency and a material balance has been struck; and
- (c) The conclusions it has drawn from its verification activities in Albania in respect of facilities.

INTERNATIONAL TRANSFERS

*Article 91**General provisions*

Any nuclear material or facility subject or required to be subject to safeguards under this Agreement, or specified equipment or specified material, which is transferred internationally shall, for purposes of this Agreement, be regarded as being the responsibility of Albania:

- (a) In the case of import into Albania of any nuclear material or facility, from the time that such responsibility ceases to lie with the exporting State, and no later than the time at which the material or facility reaches its destination; and
- (b) In the case of export out of Albania of items referred to in Article 12, up to the time at which the recipient State assumes such responsibility, and no later than the time at which the item reaches its destination.

The point at which the transfer of responsibility will take place shall be determined in accordance with suitable arrangements to be made by the States concerned. Neither Albania nor any other State shall be deemed to have such responsibility for a transferred item merely by reason of the fact that the transferred item is in transit on or over its territory, or that it is being transported on a ship under its flag or in its aircraft.

*Transfers out of Albania**Article 92*

(a) Albania shall notify the Agency of any intended transfer out of Albania of nuclear material subject to safeguards under this Agreement if the shipment exceeds one effective kilogram, or if, within a period of three months, several separate shipments are to be made to the same State, each of less than one effective kilogram but the total of which exceeds one effective kilogram.

(b) Albania shall notify the Agency of any intended transfer out of Albania of facilities, specified equipment, specified material or relevant technological information.

(c) Such notification shall be given to the Agency after the conclusion of the contractual arrangements leading to the transfer and normally at least two weeks before the item or relevant technological information referred in (a) and (b) above is to be prepared for shipping or transfer.

(d) Albania and the Agency may agree on different procedures for advance notification.

(e) The notification shall specify:

- (i) The identification and, if possible, the expected quantity and composition of the nuclear material to be transferred, and the material balance area from which it will come;
- (ii) The identification or a description of the facility, specified equipment, specified material or relevant technological information, and the location from which it will come.
- (iii) The State for which the nuclear material, facility, specified equipment, specified material or relevant technological information is destined;

- (iv) The dates on and locations at which preparation for shipping or transfer will take place;
- (v) The approximate dates of dispatch and arrival; and
- (vi) At what point of the transfer the recipient State will assume responsibility for the item or relevant technological information for the purpose of this Agreement, and the probable date on which that point will be reached.

Article 93

The notification referred to in Article 92(a) shall be such as to enable the Agency to make, if necessary, an *ad hoc* inspection to identify, and if possible verify the quantity and composition of, the nuclear material before it is transferred out of Albania and, if the Agency so wishes or Albania so requests, to affix seals to the nuclear material when it has been prepared for shipping. However, the transfer of the nuclear material shall not be delayed in any way by any action taken or contemplated by the Agency pursuant to such a notification.

Article 94

Albania shall notify the Agency of any intended transfer out of Albania of items or relevant technological information referred to in Article 12. Such items or information shall not be so transferred until the Agency has satisfied itself that Agency safeguards will apply to such items or in connection with the use of such information.

Transfers into Albania

Article 95

(a) Albania shall notify the Agency of any expected transfer into Albania of a facility, or of nuclear material required to be subject to safeguards under this Agreement if the shipment exceeds one effective kilogram, or if, within a period of three months, several separate shipments are to be received from the same State, each of less than one effective kilogram but the total of which exceeds one effective kilogram.

(b) The Agency shall be notified as much in advance as possible of the expected arrival of the facility or nuclear material, and in any case not later than the date on which Albania assumes responsibility for the facility or nuclear material.

(c) Albania and the Agency may agree on different procedures for advance notification.

(d) The notification shall specify:

- (i) The identification and, if possible, the expected quantity and composition of the nuclear material;
- (ii) The identification or a description of the facility;
- (iii) At what point of the transfer Albania will assume responsibility for the facility or nuclear material for the purpose of this Agreement, and the probable date on which that point will be reached; and

- (iv) The expected date of arrival, the location where, and the date on which, the facility is intended to be installed or the nuclear material is intended to be unpacked.

Article 96

The notification referred to in Article 95 shall be such as to enable the Agency to make, if necessary, an *ad hoc* inspection to identify the facility or nuclear material, and if possible verify the quantity and composition of the nuclear material at the time the consignment is unpacked. However, unpacking or installation shall not be delayed by any action taken or contemplated by the Agency pursuant to such a notification.

Article 97

Special reports

Albania shall make a special report as envisaged in Article 68 if any unusual incident or circumstances lead Albania to believe that there is or may have been loss of nuclear material, including the occurrence of significant delay, during an international transfer.

DEFINITIONS

Article 98

For the purposes of this Agreement:

A. *Adjustment* means an entry into an accounting record or a report showing a shipper/receiver difference or material unaccounted for.

B. *Annual throughput* means, for the purposes of Articles 79 and 80, the amount of nuclear material transferred annually out of a facility working at nominal capacity.

C. *Batch* means a portion of nuclear material handled as a unit for accounting purposes at a key measurement point and for which the composition and quantity are defined by a single set of specifications or measurements. The nuclear material may be in bulk form or contained in a number of separate items.

D. *Batch data* means the total weight of each element of nuclear material and, in the case of plutonium and uranium, the isotopic composition when appropriate. The units of account shall be as follows:

- (a) Grams of contained plutonium;
- (b) Grams of total uranium and grams of contained uranium-235 plus uranium-233 for uranium enriched in these isotopes; and
- (c) Kilograms of contained thorium, natural uranium or depleted uranium.

For reporting purposes the weights of individual items in the batch shall be added together before rounding to the nearest unit.

E. *Book inventory* of a material balance area means the algebraic sum of the most recent physical inventory of that material balance area and of all inventory changes that have occurred since that physical inventory was taken.

F. *Correction* means an entry into an accounting record or a report to rectify an identified mistake or to reflect an improved measurement of a quantity previously entered into the record or report. Each correction must identify the entry to which it pertains.

G. *Effective kilograms* means a special unit used in safeguarding nuclear material. The quantity in effective kilograms is obtained by taking:

- (a) For plutonium, its weight in kilograms;
- (b) For uranium with an enrichment of 0.01 (1%) and above, its weight in kilograms multiplied by the square of its enrichment;
- (c) For uranium with an enrichment below 0.01 (1%) and above 0.005 (0.5%), its weight in kilograms multiplied by 0.0001; and
- (d) For depleted uranium with an enrichment of 0.005 (0.5%) or below, and for thorium, its weight in kilograms multiplied by 0.00005.

H. *Enrichment* means the ratio of the combined weight of the isotopes uranium-233 and uranium-235 to that of the total uranium in question.

I. *Facility* means:

- (a) A reactor, a critical facility, a conversion plant, a fabrication plant, a reprocessing plant, an isotope separation plant; any pilot facility or any location where research or testing related to such activities can be carried out; a separate storage installation; or
- (b) Any location where nuclear material in amounts greater than one effective kilogram is customarily used.

J. *Inventory change* means an increase or decrease, in terms of batches, of nuclear material in a material balance area; such a change shall involve one of the following:

(a) Increases:

- (i) Import;
- (ii) Domestic receipt: receipts from other material balance areas or receipts at the starting point of safeguards;
- (iii) Nuclear production: production of special fissionable material in a reactor; and
- (iv) De-exemption: re-application of safeguards on nuclear material previously exempted therefrom on account of its use or quantity.

(b) Decreases:

- (i) Export;
- (ii) Domestic shipment: shipments to other material balance areas;
- (iii) Nuclear loss: loss of nuclear material due to its transformation into other element(s) or isotope(s) as a result of nuclear reactions;
- (iv) Measured discard: nuclear material which has been measured, or estimated on the basis of measurements, and disposed of in such a way that it is not suitable for further nuclear use;
- (v) Retained waste: nuclear material generated from processing or from an operational accident, which is deemed to be unrecoverable for the time being but which is stored;

- (vi) Exemption: exemption of nuclear material from safeguards on account of its use or quantity; and
- (vii) Other loss: for example, accidental loss (that is, irretrievable and inadvertent loss of nuclear material as the result of an operational accident) or theft.

K. *Key measurement point* means a location where nuclear material appears in such a form that it may be measured to determine material flow or inventory. Key measurement points thus include, but are not limited to, the inputs and outputs (including measured discards) and storages in material balance areas.

L. *Man-year of inspection* means, for the purposes of Article 80, 300 man-days of inspection, a man-day being a day during which a single inspector has access to a facility at any time for a total of not more than eight hours.

M. *Material balance area* means an area in or outside of a facility such that:

- (a) The quantity of nuclear material in each transfer into or out of each material balance area can be determined; and
 - (b) The physical inventory of nuclear material in each material balance area can be determined when necessary, in accordance with specified procedures,
- in order that the material balance for Agency safeguards purposes can be established.

N. *Material unaccounted for* means the difference between book inventory and physical inventory.

O. *Nuclear material* means any source or any special fissionable material as defined in Article XX of the Statute. The term source material shall not be interpreted as applying to ore or ore residue. Any determination by the Board under Article XX of the Statute after the entry into force of this Agreement which adds to the materials considered to be source material or special fissionable material shall have effect under this Agreement only upon acceptance by Albania.

P. *Physical inventory* means the sum of all the measured or derived estimates of batch quantities of nuclear material on hand at a given time within a material balance area, obtained in accordance with specified procedures.

Q. *Relevant technological information* means information on the design, construction or operation of a facility or specified equipment or on the preparation, use or processing of nuclear material or specified material in the fields of uranium enrichment, reprocessing or irradiated fuel and production of heavy water, in all forms in which information can be transferred, except information freely available to the public.

R. *Shipper/receiver difference* means the difference between the quantity of nuclear material in a batch as stated by the shipping material balance area and as measured at the receiving material balance area.

S. *Source data* means those data, recorded during measurement or calibration or used to derive empirical relationships, which identify nuclear material and provide batch data. Source data may include, for example, weight of compounds, conversion factors to determine weight of element, specific gravity, element concentration, isotopic ratios, relationship between volume and manometer readings and relationship between plutonium produced and power generated.

T. *Specified equipment and specified material* means any equipment or material which is especially designed or prepared for the processing, use or production of nuclear material or specified material. Specified material includes deuterium, heavy water and nuclear grade graphite.

U. *Strategic point* means a location selected during examination of design information where, under normal conditions and when combined with the information from all strategic points taken together, the information necessary and sufficient for the implementation of safeguards measures is obtained and verified; a strategic point may include any location where key measurements related to material balance accountancy are made and where containment and surveillance measures are executed.

DONE at Vienna, on the first day of July 1986, in duplicate, in the English language.

For the People's Socialist Republic
of Albania:

I. BARDHI

For the International Atomic
Energy Agency:

HANS BLIX

LETTRES CONNEXES — RELATED LETTERS

I

[ALBANIAN TEXT — TEXTE ALBANAIS]

REPUBLIKA POPULLORE SOCIALISTE TE SHQIPERISE
MINISTRIA E PUNËVE TË JASHTME

Nr. 205/.

Ministria e Puneve te Jashtme e Republikes Popullore Socialiste te Shqiperise i paraqet komplimentet e veta Agjencise Nderkombetare te Energjise Atomike dhe ka nderin t'i beje te ditur se Keshilli i Ministrave miratoi "Marreveshjen midis Republikes Popullore Socialiste te Shqiperise dhe Agjencise Nderkombetare te Energjise Atomike per zbatimin e garancive per te gjitha veprimtarite berthamore te RPS te Shqiperise", qe u nenshkrua ne Vjene, me 1 korrik 1986 me deklaraten e meposhtme:

"Lidhur me nenin 22 te Marreveshjes, Qeveria e Republikes Popullore Socialiste te Shqiperise deshiron te vere ne dukje se ajo eshte per rrugen dypaleshe per zgjidhjen e mosmarreveshjeve eventuale ndermjet asaj dhe INATOM-it. Megjithate, miratimi i ketij neni nuk do te thote qe pala shqiptare eshte e detyruar te pranoje shqyrtimin dhe zgjidhjen e mosmarreveshjeve eventuale nga nje gjykate arbitrazhi, ne te cilen mund te kete arbitra me shtetesi te papranueshme per te, qe mund te zgjidhen nga Agjencia ne zbatim te nenit 22."

Ministria e Puneve te Jashtme e Republikes Popullore Socialiste te Shqiperise perfiton nga rasti per t'i perseritur Agjencise Nderkombetare te Energjise Atomike sigurimet e konsiderates se saj te larte.

Tirane, te 28 janar 1988

Agjencise Nderkombetare te Energjise Atomike
Vjene[TRADUCTION¹ — TRANSLATION²]RÉPUBLIQUE POPULAIRE SOCIALISTE
D'ALBANIE
MINISTÈRE DES AFFAIRES ÉTRANGÈRES

N° 205/.

Le Ministère des affaires étrangères de la République populaire socialiste d'Albanie présente ses compliments à l'Agence internationale de l'énergie atomique et a l'honneur de lui faire savoir que le Conseil des ministres a accepté l'« Accord entre la Républi-

¹ Traduction fournie par l'Agence internationale de l'énergie atomique.

² Translation supplied by the International Atomic Energy Agency.

[TRANSLATION¹ — TRADUCTION²]THE PEOPLE'S SOCIALIST REPUBLIC
OF ALBANIA
MINISTRY OF FOREIGN AFFAIRS

No. 205/.

The Ministry of Foreign Affairs of the People's Socialist Republic of Albania presents its compliments to the International Atomic Energy Agency and has the honour to inform that the Council of Ministers has accepted the "Agreement between the People's Socialist Republic

¹ Translation supplied by the International Atomic Energy Agency.

² Traduction fournie par l'Agence internationale de l'énergie atomique.

que populaire socialiste d'Albanie et l'Agence internationale de l'énergie atomique relatif à l'application de garanties à toutes les activités nucléaires de l'Albanie », signé le 1^{er} juillet 1986 à Vienne, avec la mise au point ci-après :

« A propos de l'article 22 de l'Accord, le Gouvernement de la République populaire socialiste d'Albanie tient à souligner qu'il est favorable au règlement des différends éventuels avec l'AIEA par la voie bilatérale. Cependant, cet article étant approuvé, l'Albanie n'est pas tenue de soumettre pour examen et règlement les différends éventuels à un tribunal d'arbitrage qui comprendrait des arbitres ayant une nationalité inacceptable pour elle et désignés par l'Agence en vertu de l'article 22. »

Le Ministère des affaires étrangères de la République populaire socialiste d'Albanie saisit cette occasion pour renouveler à l'Agence internationale de l'énergie atomique les assurances de sa très haute considération.

Tirana, le 28 janvier 1988

Agence internationale de l'énergie atomique
Vienne

of Albania and the International Atomic Energy Agency for the Application of Safeguards to All Nuclear Activities of the PSR of Albania", signed on July 1, 1986 in Vienna, along with the following statement:

"Referring to Article 22 of the Agreement, the Government of the People's Socialist Republic of Albania wants to point out that it is in favour of settling eventual disputes with the IAEA through the bilateral way. However, with this Article being approved, the Albanian Party shall not be obliged to submit the examination and settlement of eventual disputes to an arbitral tribunal, which may have in its composition arbitrators of nationality not acceptable to it and elected by the Agency under Article 22."

The Ministry of Foreign Affairs of the People's Socialist Republic of Albania avails itself of this opportunity to renew to the International Atomic Energy Agency the assurances of its high consideration.

Tirana, January 28, 1988

The International Atomic Energy Agency
Vienna

II

[TRANSLATION¹ — TRADUCTION²]

INTERNATIONAL ATOMIC
ENERGY AGENCY

AGENCE INTERNATIONALE
DE L'ÉNERGIE ATOMIQUE

МЕЖДУНАРОДНОЕ АГЕНТСТВО ПО
АТОМНОЙ ЭНЕРГИИ

ORGANISMO INTERNACIONAL DE
ENERGÍA ATÓMICA
VIENNA, AUSTRIA

INTERNATIONAL ATOMIC
ENERGY AGENCY

230-MB.ALB.15

Le Secrétariat de l'Agence internationale de l'énergie atomique présente ses compliments à la mission permanente de la République populaire socialiste d'Albanie et a l'honneur d'accuser réception, le 25 mars 1988, de la note verbale de la mission, en date du 3 mars 1988, à laquelle était jointe la note N° 205 du Ministère des affaires étrangères, datée du 28 janvier 1988, qui informait le Secrétariat que le Conseil des ministres de la République populaire socialiste d'Albanie avait accepté l'Accord entre l'Albanie et l'Agence relatif à l'application de garanties à toutes les activités nucléaires de l'Albanie, tel qu'il avait été signé le 1^{er} juillet 1986 à Vienne.

En application de l'article 24, l'Accord est entré en vigueur à la date de réception de la note du Ministère. Conformément aux dispositions du même article, le Secrétariat informera sans délai tous les Etats Membres de l'Agence de l'entrée en vigueur de cet accord.

Le Secrétariat de l'AIEA partage le point de vue exprimé dans la note du Ministère mentionnée ci-dessus, selon lequel les différends éventuels visés à l'article 22 de l'Accord devraient

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The Secretariat of the International Atomic Energy Agency presents its compliments to the Permanent Mission of the People's Socialist Republic of Albania and has the honour to acknowledge receipt on 25 March 1988 of the Mission's Note Verbale of 3 March 1988 with which was enclosed the Foreign Ministry's Note No. 205 of 28 January 1988, informing the Secretariat that the Council of Ministers of the People's Socialist Republic of Albania accepted the Agreement between the People's Socialist Republic of Albania and the IAEA for the application of Safeguards to all Nuclear Activities in Albania, as signed on 1 July 1986 in Vienna.

Pursuant to Article 24, the Agreement entered into force on the date of receipt of the Ministry's Note. As provided by the same Article the Secretariat shall inform all Member States of the Agency of the entry into force of this Agreement.

The Secretariat of the IAEA shares the view expressed in the above-mentioned Note of the Ministry that any eventual disputes referred to in Article 22 of the Agreement should in the

¹ Translation supplied by the International Atomic Energy Agency.

² Traduction fournie par l'Agence internationale de l'énergie atomique.

d'abord faire l'objet d'une tentative de règlement bilatéral. La consultation et la négociation sont d'ailleurs les procédures normales auxquelles recourt le Secrétariat de l'AIEA dans ses relations avec ses Etats Membres pour parvenir à un accord ou résoudre un éventuel désaccord.

Le Secrétariat prend note par ailleurs la mise au point concernant la nationalité des membres des tribunaux d'arbitrage susceptibles d'être constitués en vertu de l'article 22 de l'Accord. A ce propos, le Secrétariat tient à exprimer la conviction que dans le cas peu probable où un différend entre l'AIEA et l'Albanie serait soumis à un arbitrage, les deux parties agiraient dans un esprit de compréhension réciproque qui permettrait de choisir des tribunaux d'arbitrage acceptables pour elles.

Le Secrétariat de l'Agence internationale de l'énergie atomique saisit cette occasion pour renouveler à la mission permanente de la République populaire socialiste d'Albanie les assurances de sa très haute considération.

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first place be settled bilaterally. Consultation and negotiation are in fact the normal procedures that are used by the IAEA Secretariat in its relations with its Member States, for reaching agreement or resolving any disagreement.

The Secretariat also takes note of the statement concerning the nationality of members of arbitral tribunals that might be established in accordance with Article 22 of the Agreement. In this connection the Secretariat wishes to express its confidence that in the unlikely event that a dispute between the IAEA and Albania is referred to arbitration, both parties would act in a spirit of mutual understanding so as to be able to select arbitral tribunals acceptable to them.

The Secretariat of the International Atomic Energy Agency avails itself of this opportunity to renew to the Permanent Mission of the People's Socialist Republic of Albania the assurances of its highest consideration.

17 June 1988
