APPLICATION OF SAFEGUARDS

Article 2

The Agency shall have the right and the obligation to ensure that safeguards will be applied, in accordance with the terms of this Agreement, on all source or special fissionable material in all peaceful nuclear activities within the territory of the G.D.R., under its jurisdiction or carried out under its control anywhere, for the exclusive purpose of verifying that such material is not diverted to nuclear weapons or other nuclear explosive devices.

CO-OPERATION BETWEEN THE GOVERNMENT OF THE G.D.R. AND THE AGENCY

Article 3

The Government of the G.D.R. 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:

- (a) To avoid hampering the economic and technological development of the G.D.R. or international co-operation in the field of peaceful nuclear activities, including international exchange of nuclear material:
- (b) To avoid undue interference in the G.D.R.'s peaceful 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.
- (i) The Agency shall not publish or communicate to any State, organization or person any information obtained by it in connection with the implementation of this Agreement, except that specific information relating to the implementation thereof 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 Agreement.
 - (ii) Summarized information on nuclear material subject to safeguards under this Agreement may be published upon decision of the Board if the Government of the G.D.R. 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 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.

THE G.D.R.'S SYSTEM OF MATERIALS CONTROL

Article 7

- (a) The Government of the G.D.R. shall establish and maintain a system of accounting for and control of all nuclear material 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 there has been no diversion of nuclear material from peaceful uses to nuclear weapons or other nuclear explosive devices, findings of the G.D.R.'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 the G.D.R.'s system.

PROVISION OF INFORMATION TO THE AGENCY

Article 8

- (a) In order to ensure the effective implementation of safeguards under this Agreement, the Government of the G.D.R. 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 safeguarding such material.
- (b) (i) The Agency shall require only the minimum amount of information and data consistent with carrying out its responsibilities under this Agreement.
 - (ii) Information pertaining to facilities shall be the minimum necessary for safeguarding nuclear material subject to safeguards under this Agreement.
- (c) If the Government of the G.D.R. so requests, the Agency shall be prepared to examine or premises of the G.D.R. design information which the Government of the G.D.R. 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 the G.D.R.

AGENCY INSPECTORS

Article 9

(a) (i) The Agency shall secure the consent of the Government of the G.D.R. to the designation of Agency inspectors to the G.D.R.