safeguards measure of fundamental importance, with containment and surveillance as important complementary measures.

Article 30

The technical conclusion of the Agency's verification activities 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 G.D.R.'s SYSTEM OF ACCOUNTING FOR AND CONTROL OF NUCLEAR MATERIAL

Article 31

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

Article 32

The G.D.R.'s system of accounting for and control of all nuclear material 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;
- 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) Provisions to ensure that the accounting procedures and arrangements are being operated correctly; and
- (h) Procedures for the provision of reports to the Agency in accordance with Articles 59—69.

STARTING POINT OF SAFEGUARDS

Article 33

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

Article 34

- (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-nuclearweapon State, the Government of the G.D.R. 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 readied the stage of the nuclear fuel cycle described in paragraph (c) is

- imported, the Government of the G.D.R. 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 the G.D.R., the nuclear material shall become subject to the other safeguards procedures specified in this Agreement.

TERMINATION OF SAFEGUARDS

Article 35

- (a) Safeguards shall terminate on nuclear material subject to safeguards under this Agreement, under the conditions set forth in Article 11. Where the conditions of that Article are not met, but the Government of the G.D.R. considers that the recovery of safeguarded nuclear material from residues is not for the time being practicable or desirable, the Government of the G.D.R. 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 the Government of the G.D.R. and the Agency agree that such nuclear material is practicably irrecoverable.

EXEMPTIONS FROM SAFEGUARDS

Article 36

At the request of the Government of the G.D.R., the Agency shall exempt nuclear material form 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 37

At the request of the Government of the G.D.R., 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 the G.D.R. 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
 - 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 %);