TONY SNOW: Let's take a quick look at some of the headlines from this week characterizing your report. I want to get your reaction to them. Here we see The New York Times: "No Illicit Arms." The Washington Post: "No Banned Weapons." The Los Angeles Times: "No Illicit Iraqi Arms." USA Today: "No Illegal Weapons."

Is that what you found?

DAVID KAY: Well, we certainly found that — have not yet found illicit arms. But that's not the only thing the report says. In fact, I'm sort of amazed at what was powerful information about both their intent and their actual activities that were not known and were hidden from UN inspectors seems not to have made it to the press. This is information that, had it been available last year, would have been headline news.

SNOW: One of the things that you found, for instance, is the Mukhabarat, the secret service, in fact had a vigorous weapons program of its own. Tell us about it.

KAY: Well, we have found right now — and we're still finding them — over two dozen laboratories that were hidden in the Iraqi intelligence service, the Mukhabarat, were not declared to the U.N., had prohibited equipment, and carried on activities that should have been declared.

Now, at the minimum, they kept alive Iraq's capability to produce both biological and chemical weapons. We found assassination tools. So we know that, in fact, they had a prohibited intent to them.

SNOW: You also talk about reference strains of biological agents. What does that mean?

KAY: Well, that's one of the most fascinating stories. An Iraqi scientist in 1993 hid in his own refrigerator reference strains for — active strains, actually would've — were still active when we found them — Botulinum toxin, one of the most toxic elements known.

He was also asked to hide others, including anthrax. After a couple of days, he turned them back because he said they were too dangerous; he had small children in the house.

This is typical. We now have three cases in which scientists have come forward with equipment, technology, diagrams, documents and, in this case, actual weapons material, reference strains and Botulinum toxin, that they were told to hide and that the UN didn't find.

SNOW: You believe that there are similar strains perhaps throughout Iraq right now?

KAY: We're actively searching for at least one more cache of weapons — of strains that we know exists.

SNOW: This is a cache that had been referred to by a scientist. The first bit of information paid off; you're still looking for the second one?

KAY: Exactly.

SNOW: And the second one is a large cache.

KAY: It's much larger. It contains anthrax, and that's one reason we're actively interested in getting it.

SNOW: Now, you also talk about new research on biological capable agents, such as Brucella, Congo Crimean Hemorrhagic Fever, Ricin and Naflotoxin (ph).

KAY: That's exactly right, and that's the things I'm surprised no one has paid attention to.

The new strains they're working on, including Congo-Crimean Hemorrhagic Fever, are something that should have been reported to the UN. In fact, all of the work should have been reported. It was not reported.
This is activities, prohibited activities they've carried on. And this continued right up to 2003 in these four cases, unreported, undiscovered.

SNOW: Unreported and undiscovered.

When you're analyzing how much information was kept from the UN, how would you characterize it?

KAY: Dozens of cases right now that are significant. The most significant, of course, is in the missile area, where we're talking about activity on four different fronts that would have provided missiles capable of exceeding the UN limit of 150 kilometers.

SNOW: All right, I want to get to that in a moment. Before we do that, one final note on Botulinum. The State Department is now calling this discovery in fact the discovery of a weapon of mass destruction. Would you accept that characterization?

KAY: It's not a weapon in the sense of it was ready to be fired. It is absolutely the essential element that only time and a little growth media would have produced large amounts of Botulinum toxin.

SNOW: And you also had a number of scientists coming forward and telling you that there were plans afoot that, if they were given the orders to create chemical or biological weapons, there was a certain timetable in which they would be able to produce them.

KAY: That's correct. We've had very senior scientists — and this is actually a good news story. People don't realize how many Iraqis we now have cooperating with us. That's one reason for my optimism that we'll get to the bottom of the program. But it would have taken them from weeks to months to restart mustard production, and for months to — the maximum estimate is two years on VX production.

SNOW: Now, a lot of these scientists — you talk about one scientist being assassinated the same day he talked to your people.

KAY: Yes.

SNOW: Somebody else was shot six times. They're still subject to considerable intimidation?

KAY: They certainly are, and they report that to us every day. And that's why I guess I have great admiration for those who are talking to us. They're talking to us not for rewards; they're talking to us in the face of active threats against them for collaborating with us.

SNOW: Why can't you protect them?

KAY: Well, you know, we could take everyone out of the country, but realize in Iraq you're talking about extended families. We are taking steps to try to protect them, but we're never perfect at that.

SNOW: Let's talk about the volume of arms. How many arms depots are there in Iraq?

KAY: We've identified 130 ammunition storage points of significant size, some larger than 50 square kilometers. These are sites that contain, the best estimate is, between 600,000 and 650,000 tons of arms. That's about one-third of the entire ammunitions stockpile of the much-larger U.S. military.

SNOW: So that's pretty astonishing for a country of that size and population.

KAY: It's very astonishing when you're on the ground looking at it.

SNOW: You've only been through 10 of those so far. Why so few depots have been examined at this point?

KAY: Well, it's a size issue and going out. For example, we spent 10 days on a very large one about three weeks ago, operating in temperatures that range from 130 — that was a low day — to 150. And literally, you have to go — this one was over 200 square miles. It's damming, in terms of the scale, to have to do that.

SNOW: So you have still 120 of these to examine?

KAY: And we have 26 on a critical list to examine. That's really the number that drives us right now.

SNOW: What do you want to find in those?
KAY: Well, the Iraqis have told us, and we learned in 1991, that they have the habit of storing their chemical munitions right in a mix with these standard conventional armaments. And they also tended not to mark them. So you really have to examine each one, and that's why we're going there looking at them.

SNOW: There were claims before the war by Secretary of State Colin Powell that Iraq had weaponized and ready-to-use chemical weapons. He was very confident about the existence of chemical weapons. You have not yet found actual chemical weapons, correct?

KAY: Tony, it's important to stress the word "yet." We have not only Secretary Powell, we have Iraqi generals telling us that they had them. Unfortunately, they're not able to tell us where they are now. And that's why we're looking so hard.

SNOW: Biological weapons, you have found some strains; you think you're going to find more based on the testimony you've received?

KAY: Based on information leads, we have no reason to believe that we will not find more. But we're searching still.

SNOW: Let me ask you about the veracity of the people who are coming forward. Are they reliable sources? Have they given you information that's paid off, or are you getting a lot of crank information from people?

KAY: Well, they're not all reliable, and I wouldn't expect them to. We have to deal with them much like the way journalists do. I need to separate out what they really know personally from what someone has told them, and then go find the sub-sources who told them that. It's a very time-consuming process.

SNOW: Senator Carl Levin said the other day that there was no evidence that Iraq had restarted its nuclear weapons program. True or false?

KAY: Well, I think in the nuclear area there's evidence that they were putting small amounts of money and starting rudimentary experiments. But we haven't finished our examination there. On the basis of what we've examined, I think there is evidence that they were interested in restarting their nuclear program, but it was at a very early stage, based on what we have currently found.

SNOW: You also had heard that Saddam Hussein had gotten frustrated with the UN weapons inspectors and was simply ready to go ahead, regardless of their presence on his soil.

KAY: His senior head of the arms industry has told us that in 2000 he believed that Saddam had simply gotten fed up with the UN restrictions and was ready, in the face of them, to start restarting the program.

Now, the one piece of evidence that confirms that is in the missile area, where exactly that's when it restarted.

SNOW: And you also found propellants.

You mentioned that there are four classes. You had cruise missiles. You had the attempt to buy the Nodong missile from North Korea that can have a range of up to 1,300 kilometers, about 800 miles...

KAY: Right.

SNOW: ... and a series of other things. You had rocket propellants, correct?

KAY: Well, the rocket propellants are really an interesting story I'm surprised no one has picked up on. We have Iraqis now telling us that they continued, until 2001 or early 2002, to be capable of mixing and preparing Scud missile fuel.

Scud missile fuel is only useful in Scud missiles, no other class of missiles that Iraq has. And yet Iraq declared that it got rid of all of its Scud missiles in the early 1990s. Why would you continue to produce Scud missile fuel if you didn't have Scuds? We're looking for the Scuds.

SNOW: In speaking to reporters the other day, you also said that you were examining the possible cross-border transportation of arms into Syria, Jordan and Iran. Now, the Jordanian government has said, absolutely not true. Do you still think it's possible that arms could have made their way into Jordan?

KAY: Well, we're still examining what moved where. We have multiple reports from Iraqis of moving material. We do know that documents were taken to Jordan, because we're engaged in negotiations with someone who is in Jordan to recover those documents. I have no personal knowledge that weapons were moved into Jordan.

SNOW: Does this person in Jordan have any official relationship with the government, or is this a private citizen?
KAY: Oh, absolutely no official relationship with the government. He fled there, and he's there solely on his personal basis.

SNOW: How about Syria? I've heard talk of convoys making their way out of Iraq into Syria in the weeks before the war. What have you heard?

KAY: We've heard the same reports. Actually, we have probably more specific evidence on that, on dates, times...

SNOW: I would suspect you know more than I do on that.

KAY: ...and routes taken. The difficulty we have is proving what was in the convoys, and that's where we're stymied right now.

SNOW: You also have reports of a number of nations engaged in illegal trade or dual-use technology trade with Iraq. Why won't you tell us who those countries are?

KAY: Because we're continuing to investigate to find the exact details and to be sure that we have absolute accuracy. Also, because we suspect that these same companies have been engaged with other proliferant regimes, so we want to get to the bottom of this.

And let me say, it's not just dual-use. The equipment that we're after and the information we have relates to things that were clearly illegal to sell to Iraq. This is illegal procurement. It's not something that could have other uses. They shouldn't have had it.

SNOW: Were any American companies involved?

KAY: Not that we've discovered to date.

SNOW: What about the United Nations? There's some talk that the United Nations ought to handle weapons inspection. What do you make of that?

KAY: Well, I certainly — we've used and are using today former UN inspectors. But the idea of turning it back over to the UN just doesn't hold any credibility.

The UN has pulled essentially all of its staff out of Iraq because of two explosions. I've had teams attacked four times in September and four serious injuries. Every one of the people we have on the ground, including myself, is weapons qualified and routinely carries weapons. We operate in a very non-permissive environment.

That's not what the UN does. I can't believe that the UN — as a UN inspector, I never carried a weapon, and we never operated in this type of environment.

SNOW: You've been looking for weapons. Have you found any documentary evidence of ties to al-Qaeda or other terrorist groups?

KAY: We have not — with regard to weapons of mass destruction, and that is really the area I operate in, no, we have not.

SNOW: But how about in other weapons? Has anything else come across? Because one of the things you document is a very thorough program of trying to destroy evidence in the wake of the U.S. and British invasion.

KAY: We have discovered documentary evidence that relates to various terrorist connections, and what happens, Tony, when we do that, is we immediately turn it over. I have an FBI rep who's on the Iraq Survey Group. We turn it over to those people whose professional business is investigating those ties.

SNOW: So when you look at the totality of the investigation, in Iraq and in surrounding countries, what would you put the probability of finding weapons of mass destruction?

KAY: I simply don't know. I have tried to conduct a work program that guarantees us that if they are there, we will find them. Rather than estimate — I don't want to estimate. I want to have proof, and that's what we're driving toward that conclusion.

David Kay is the CIA special adviser on Iraqi Weapons of Mass Destruction programs and head of the Iraqi Survey Group.