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Over the Future of the JCPOA Uncertainty Rules and it's not OK



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Proximity talks in Vienna, under way since March, on revival of the 2015 nuclear non-proliferation agreement known as the Joint Comprehensive Plan of Action (JCPOA) have been on hold since 20 June, when delegations dispersed at the end of the sixth round. (In addition to the principals, Iran and the United States, the participants are Russia, China, France, Germany, the United Kingdom, and the European Union.) A resumption is not foreseen before mid- to late-August, after the inauguration of a new Iranian President on 3 August, and even that is not certain.

When President Biden entered the White House on 20 January many expected that his administration would prioritise reviving the JCPOA, on life-support since US withdrawal in 2018. It was apparent that he would encounter a constructive counterpart in President Rouhani, the JCPOA having been a major achievement of Rouhani's first administration (2013-17). Why has that expectation proved mistaken?

Instead of simply re-joining the JCPOA and lifting all the sanctions that the Trump administration had imposed on Iran post-withdrawal, in exchange for Iran's return to JCPOA compliance, the Biden administration resolved to set conditions for re-joining of which some amounted to demands for additional concessions – 'additional' to the concessions Iran had made in 2015. These demands included that Iran engage in talks on abandoning or curtailing the indigenous development of ballistic and cruise missiles and address an end to military and financial support for Hamas, Hezbollah, the Houthis, Iraqi militias and the Syrian government.

Reluctant to pay twice for the same rug, wanting more sanctions lifted than the US side was proposing at odds over sequencing, and fearful that in only a few years' time the United States would again withdraw and impose sanctions, Iran balked. The extent to which this has led the

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US side to lower its demands or improve its sanctions-lifting offer is unclear; but manifestly any US movement has not sufficed. A deal on JCPOA revival is still un-struck.

The most concerning consequence of this failure, from a non-proliferation perspective, is that International Atomic Energy Agency inspectors have lost the special access to Iranian nuclear activities that the JCPOA affords. The probability of their picking up early indications of an Iranian decision to build a covert nuclear weapon plant is much reduced.

While affirming that they remain committed to the Nuclear Non-Proliferation Treaty, the Iranians have played on that concern, presumably to pressure the United States into being less demanding and/or improving their sanctions offer. This tactic has taken several forms. One is an increase in the concentration of U235 in the uranium gas produced by Iranian centrifuges; they are now producing uranium hexafluoride (UF6) enriched to 60%, from where only a small amount of additional work yields weapon-grade concentrations. Another is the conversion of UF6 into uranium metal, the form that weapon-grade uranium takes in the core of nuclear weapons. A third is embarking on large-scale testing of newly developed, highly efficient centrifuge machines.

Another concerning consequence is that side agreements with the United States and Britain on prisoner exchanges are on hold. It is probable that the UK agreement would provide, *inter alia*, for the release of Mrs Zaghari-Ratcliffe, imprisoned on unconvincing grounds, and separated from a young daughter, since 2015.

Should a 3 August change of administration in Iran also be cause for concern?

Ayatollah Khamenei, Iran's Supreme Leader, appears to have seen the merit in getting US sanctions lifted, provided Iran is treated as an equal and its fundamental requirements are respected. What the Iranians do next will be influenced by the new President, Ebrahim Raisi, and his fellow Supreme National Security Council (SNSC) members, but it will be Khamenei's call.

The strategic framework within which Iran makes decisions will endure: that is, sovereignty and independence; regime survival; preservation of an ability to act across its frontiers as other countries do to preserve vital national interests; retention of missile forces as a deterrent against aggression; and promotion of the welfare and prosperity of Iranians as far as this can be done in adverse economic times. Iran's principal policies, including towards its neighbourhood, will not change.

As a member of the SNSC in recent years, Raisi was a party to the decision-making that led to pursuit of JCPOA revival. But acrimonious disputes between Iran's political factions have swirled around the revival negotiations. The latest signs are not good.

On 20 July, the government spokesman said that the relevant SNSC committee had decided that the emerging Iran-US agreement on revival had to be rejected, despite an "agreement in principle" that had already been reached in Vienna. The draft was not compliant with Iranian parliamentary legislation which requires, *inter alia*, that the government maintain Iran's breaches of the JCPOA until the United States verifiably removes all sanctions.

Iran may stick with this, in which case it would take months, if ever, to find a new basis for talks. Alternatively, when a new government team is in place and the dust has settled in the Autumn, a pragmatic decision to continue could be made.

Iran has two options. The first is to accept failure. If they conclude that the United States will not concede enough for an agreement that preserves vital Iranian interests and national dignity, then they will continue to make counter-demands of the US side that are out of reach, will string out the talks, and will avoid being the first to break off.

They may well consider that they could survive failure economically, socially and politically: though exposed to discontent among the majority, core support for the regime among its adherents and the security forces remains strong. The impact of US oil sanctions has declined, regional trade is growing, and Russian and Chinese support looks assured.

The second option is to accept that, to revive the economy and strengthen the country, Iran needs a deal. Having consolidated its position with tough statements, the Raisi government could work, as Rouhani's team did under Khamenei's guidance, to expand common ground and isolate a few final knotty issues, so that trade-offs to achieve success can be put to Khamenei.

We are placing a bet on the second option, but only a small one.

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