"IRAN NUCLEAR TALKS AT AN IMPASSE" SUMMARY OF A WEBINAR HELD BY THE INSTITUTE FOR PEACE AND DIPLOMACY 16 MARCH 2022



OVERVIEW

After a year of negotiations in Vienna to restore the JCPOA, the eleventh-hour demand by the Russians to receive a guarantee that sanctions over the Ukraine invasion will not impact their trade and cooperation with Iran had seemingly derailed the negotiations, causing the EU negotiator Enrique Mora to announce a pause in the talks on 11 March due to "external factors."

In a webinar sponsored by the Institute for Peace and Diplomacy (IPD) – 'a non-profit and non-partisan North American international affairs think tank operating in the United States and Canada dedicated to promoting dialogue, diplomacy, prudent realism, and military restraint¹ – that was chaired by its Executive Director, Bijan Ahmadi, a panel of experts discussed the so-called Russian factor in the talks as well as other potential options for the United States, Iran, and other JCPOA participants to break the impasse.

SUMMARY OF KEY POINTS MADE BY THE PANELLISTS

- 1. Nasser Hadian (Professor of International Relations, University of Tehran)
- There will most likely be an agreement to revive the JCPOA because of the unacceptable features of all the other 'Plan B options' i.e., going back to the JCPOA is the least bad option!
- The likely agreement will be a very good deal for the US.
- It was his personal view that the IRI would not be happy with what was being worked out something that is likely to become a focus of serious criticism within Iran at a later stage (already some voices of

¹ IPD like another recently set up 'Think Tank' in the US by the name of 'Quincy Institute' is believed to be 'sympathetically oriented towards the Islamic Republic of Iran' and part of its lobbying activities in the US.

dissent are being heard in this regard from the Supreme National Security Council).

- It is also important to appreciate sentiments within a powerful state institution like the IRGC and some of its senior commanders if the organization remains designated as a terrorist organization. Hence, there is bound to be some damaging reaction if this issue is not properly addressed.
- There is no question that Bagheri and his team will also come under criticism for having wasted time and not attained results that were in any way better than those negotiated by Zarif and Araghchi.
- It is clear that what the Iranian negotiating team is getting is far less on every front:
 - No meaningful guarantees
 - Unknown factors concerning the removal of the IRGC from the FTO list
 - No compensation at all for loss of some \$240 billion of revenues since 2018
 - No satisfactory verification mechanism
 - No change on the subject of 'snapback!
- While there might be some political cost for Biden in removing the IRGC from the FTO² list, it is perhaps the most prudent option in terms of the bigger picture, especially as there are no illusions regarding the possibility that a new Republican administration will probably once again resort to what Trump had done before.
- Russia is too important for Iran to ignore. To keep Russia on board, the IRI might also consider engaging in direct talks with the US.
- However, there are no marginal gains for Iran if there are no guarantees regarding the future of the deal and with the continuing threat of 'Snap back'. This is especially true since in the absence of any realistic hopes for any significant investments in the Iranian economy, only a minimum amount of trade and getting access to some of its money will be open to Iran.
- In the final analysis while sanctions on individuals such as Zarif or Khamenei does not really make a huge difference, sanctioning an important state organization like the IRGC is something that is different. (especially since General Mattis had also felt that it should not have happened).
- Raisi while very suspicious of US good faith, had offered to extend some of the sunset clauses for an additional 2 years when he had insisted on guarantees.

² Foreign Terrorist Organizations

- Today, the main concern is to prevent a situation whereby the US will once again withdraw as they did in 2015 which really upset powerful institutions inside Iran.
- As a consequence of events since 2018, Iran has moved closer to the East. The current debate inside Iran is whether to merely expand economic ties with China or move entirely into its orbit.
- The IRI wants to improve ties with Saudi Arabia but it has reconciled with the fact that the Saudis will only move forward on the basis of how Iranian ties improve not just with the US but with China and Russia as well (despite Iranian willingness to offer some compromises on Yemen).
- 2. **Sanam Vakil** (Deputy Director, Middle East and North Africa Programme, Chatham House)
- The news concerning the release of two dual nationals held by the IRI (Nazanin Zargari and Anoushe Ashouri) was welcomed by the UK. It also signalled that the talks were perhaps advancing in the right direction.
- Although, it looks like the Russian issue has now been "seemingly resolved", there are nonetheless a number of sticking points that continue to remain before the finishing line the time frame for which is still a matter of concern.
- The issue of 'Guarantees' is still unresolved, not just for Iran but for all other parties as well (including Israel, the Gulf states).
- Optics of the JCPOA will thus remain quite challenging for both Tehran and Washington . No doubt this will affect sequencing issues especially at any potential signing ceremony.
- Important to note that the rehabilitation of the JCPOA is only a first step in moving forward given the need for a host of other issues that are still out there (e.g., regional tension, cyber and missile attacks against Israel and Erbil, etc.).
- There is no question that the recent cyber and missile attacks have made things more difficult for the IRGC and its battle to be removed from the FTO list.
- At the end of the day there is a need for compromises from all sides, given that this is just a nuclear deal and only a first step for a whole array of other pressing hot issues that require being addressed (e.g., resumption of suspended talks between Iran and Saudi over the execution of some Shiites dissenters despite the fact that not much had been achieved in the previous 5 rounds of discussion, etc.).
- Hence, given the recent talks that have taken place between the British Prime Minister in Saudi Arabia and the UAE, post-JCPOA talks

continue to remain critical if the new arrangement is to remain sustainable.

- From the perspective of the EU3, time is now of essence for preventing the deal to unravel.
- 3. **Mark Fitzpatrick** (Associate Fellow & Former Head, Non-Proliferation Programme, IISS; Former US Deputy Assistant Secretary for Non-Proliferation)
- There is perhaps more optimism now concerning the consummation of a deal than any time before in the current year. This is due to the fact that all parties in Vienna seem to be more serious about wanting to reach a deal than any time before.
- It is clear that Russia will be allowed to continue with its nonproliferation co-operations with Iran (e.g., in places like Bushehr etc.) though that will not cover their trading arrangements in view of the sanctions imposed because of the ongoing war in Ukraine.
- Timing now is of critical importance, especially for the US if the deal is to be worth anything. It is clear that the US will now not get the 1-year breakout lead time that it wanted. Explaining this to Congress and other critics will no doubt prove difficult for the Biden Administration.
- At this point, the parameters for reaching an agreement are all in place despite the fact that Iran has stated that all sanctions that could impede the implementation of the JCPOA should also be removed though the removal of the IRGC from the FTO list does not really fit into this demand given the range of other sanctions involving people and organizations involved with the IRGC.
- In face of great opposition in Congress (something that was exacerbated by 7 Democratic congressman writing a letter opposing the deal), for Biden to remove the IRGC from the FTO list, he will want something such as the release of all dual national in return.
- Given that all parties are claiming that the deal is almost done, it follows that the issue of guarantees is no longer a factor preventing progress for a deal that is at best good for only 3 more years.
- On the subject of Israeli concerns as expressed to Joe Biden by Naftali Bennet (whose position resembles that of the Republicans in Congress), there is general consensus amongst senior Israeli officials recently retired that the consummation of a deal is in every way better for Israel.
- 4. Ali Vaez (Senior Adviser to the President & Iran Project Director, International Crisis Group)
- What transpired last week was a tactical gambit by Russia which did not work. There was also a popular backlash to the Russian action

inside Iran. Thus, given that the whole matter was too big to fail especially in view of all alternative options, it was most fortuitous that the Russians decided to walk back on this matter.

- Nonetheless, there are still possibilities that uncalculated steps might be taken with some last -minute gambits such as the possible refusal by the US to remove the IRGC from its list of 'FTO's in light of all the recent events that have taken place in Israel and Erbil.
- But hopefully the quest for 'perfect' will not prevent the attainment of what is likely to be 'good enough'.
- Impression in Washington is that all parties will get less than their expectations as a result of any deal (for the US only a 6-month break out lead [instead of the previous 1-year] and for IRI a lot less money and other investments).
- The US is incapable of offering the kind of guarantees that Iran has wanted. However, it is important taking note that the scope of sanctions relief for Iran is in any event quite marginal. On the other hand, economic guarantees are both unachievable and unrealistic,
- It has to be borne in mind that the JCPOA is not even an agreement.... It is joint plan of common action. However, a more comprehensive agreement can theoretically come as a follow on to this, especially since all parties are saying that they all want more.

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