Iran's Decision on Nuclear Deal

Why in news?

Iran has announced that it would reduce its commitments under the 2015 nuclear deal, the Joint Comprehensive Plan of Action.

Click here to know more on the deal.

What was the deal on?

- The Iran nuclear deal (or the Joint Comprehensive Plan of Action (JCPOA)) was signed between Iran and the P5, plus Germany and the EU in 2015.
- [P5 is the 5 permanent members of the UNSC (US, China, France, Russia, and UK).]
- The deal aimed at curbing Iran's nuclear programme.
- Under the deal:
    i. most of Iran’s enriched uranium was shipped out of the country
    ii. a heavy water facility was rendered inoperable
    iii. operational nuclear facilities were brought under international inspection
- In return, the deal involved lifting of international sanctions on Iran.

What is Iran's decision now?

- Iran has announced the suspension of some of the restrictions in the deal, and not of withdrawing from the deal.
- It will immediately stop shipping out excess enriched uranium and heavy water.
- Iran would give remaining parties to the deal 60 days to find solutions to shield Iran’s banking and oil sectors from U.S. sanctions.

What led to this?

- The very idea for Iran agreeing to the deal was that it would help lift sanctions, providing relief to its economy.
- But U.S. withdrawal from the nuclear deal and the increasing pressure thereafter made implementation of the deal difficult.
- Iran’s move now is a response to a year of increasing struggles with renewed

sanctions, a new set of U.S. sanctions and several provocative U.S. threats.
- Recently, U.S. President Trump designated Iran's Islamic Revolutionary Guard Corps as a foreign terrorist organization.
- The U.S. also announced an end to waivers that allowed 8 countries, including India, to purchase Iranian oil. Click here to know more.
- Resultantly, Iran's oil shipments have significantly been affected.
- U.S. also revoked two waivers allowing Iran to ship excess heavy water to Oman and trade excess enriched uranium for low enriched uranium with other countries.
- This effectively limits Iran's ability to continue implementing its commitments under the deal.
- The countries which remained committed to the JCPOA feared the US would directly impose sanctions on anyone who dealt with Iran.

What are the likely implications?

- In theory, excess enriched uranium and heavy water allows Iran to expand its nuclear programme.
- The big threat is that it will resume higher levels of enrichment to build weapons unless its grievances are addressed in 60 days.
- Iran's concerns are genuine as it is being punished even as it is compliant with the terms of the agreement.
- Iran's decision is more of a warning than a move to break the nuclear deal.
- So it is high time that European signatories to the nuclear pact address Iran's concerns.
- If Europe does not find a solution in 60 days and Iran sticks to its threat, the deal will collapse, giving more reason to the U.S. to escalate hostilities.
- US has, among other things, deployed an aircraft carrier and a bomber squad to the Gulf.

What is the way forward?

- European countries have been working on a mechanism, which is still in the initial stages.
- It allows Europe to trade with Iran through a barter system avoiding the dollar and circumventing sanctions.
- But it has not covered oil trade, the mainstay of Iran's economy.
- In any case, Europe should stand firmly up to the U.S.'s unilateral threats and pressure, and come up with ways to help Iran.
- A practical alternative would be for Iran to deepen cooperation with other signatories instead of breaking the deal.
- A collapse of the deal would not only exacerbate the Iran nuclear crisis but

also set a bad precedent in international diplomacy.

Source: The Washington Post, The Hindu

