Reviving the Iran Nuclear Deal

What is the issue?

U.S. is facing the great challenge of reviving the Iran Nuclear Deal after Trump unilaterally decided to discard it.

What is the history behind the Iran Nuclear Deal?

- Joint Comprehensive Plan of Action (JCPOA or Iran nuclear deal) is the result of prolonged negotiations between Iran and P5+1 (China, France, Germany, Russia, UK, USA and EU) Nations.
- It was quietly brokered by Oman in an attempt to repair its mistrust with Iran since the 1979 Islamic revolution.
- The deal obliged Iran to limit its uranium enrichment programme which will be verified by an intrusive inspection regime.
- In return, US agreed to partially lift its economic sanctions on Iran.
- However this was not ratified in US Senate and was implemented through periodic executive orders to keep sanction waivers going.
- Later, Trump administration pulled out from the deal in May 2018 and exerted maximum pressure on Iran to renegotiate through its sanctions.

How did Iran respond to this?

- For the 1st year after the U.S. withdrawal, Iran's response was silent as E-3 (France, Germany, U.K.) and EU promised to find ways to mitigate the U.S. decision.
- When E-3/EU plan failed to materialise, Iran shifted to a strategy of maximum resistance by shedding its strategic patience.
- It began to move away from JCPOA's constraints incrementally- exceeding the ceilings of enriching uranium, stepping up R&D on advanced centrifuges etc.
- After the US strike on the Islamic Revolutionary Guard Corps commander, Iran said that it would not commit to JCPOA's restraints but it will maintain cooperation with IAEA.

What was the response from USA?

- U.S. pushed ahead with its unilateral sanctions by widening the scope.
- It covered all Iranian banks which was connected to the global financial

system, industries related to metallurgy, energy and shipping, senior political leaders etc.
- By end-2020, U.S. had imposed nearly 80 rounds of sanctions targeting close to 1,500 individuals and entities in Iran.

What were the repercussions of these events?

- U.S. decision was criticised by all other parties to the JCPOA as Iran was in compliance with its IAEA obligations.
- Trump's policy comforted only Israel and Saudi Arabia but failed to bring Iran back to the negotiating table.
- COVID-19 affected Iran badly & Iran's economy contracted by 7% in 2019 and another 6% in 2020.
- Iran was also shaken by a series of unexplained fires and blasts at a number of sensitive sites- Natanz nuclear facility, Khojir- missile fuel fabrication unit.
- E-3's promised relief Instrument –INSTEX- did not work well & EU-Iran trade got dropped in the following years.
- Hence Iranian Parliament passed a bill- seeking to increase nuclear enrichment by 20%, suspending the implementation of some inspection provisions for 2 months if sanctions relief is not given.

What is the road ahead for USA?

- If U.S. waits for Iran to fully comply before lifting its sanctions, it can only lead to the collapse of the JCPOA & Iran will go nuclear like North Korea.
- But the Biden administration has made a good start by appointing Robert Malley as the U.S. Special Envoy for Iran & positive steps are further required to create a conducive atmosphere.
- US can help in clearing the Iran's applications to IMF for COVID-19 relief and for the supply of vaccines under the international COVAX facility.
- Iran can release of European and American nationals who are currently in its custody.
- All U.S. sanctions cannot be lifted instantly, it is possible to remove the sanctions on Iranian political leaders which would send a positive signal.
- IAEA and E-3/EU should work together to reverse the steps taken by Iran to ensure full compliance with the JCPOA.
- Brussels now has the opportunity to take a lead role as an independent foreign policy actor.

Source: The Hindu



SHANKAR
IAS PARLIAMENT
Information is Empowering