

Explainer: Nuclear Negotiations with Iran

This explainer provides an introduction into some of the key issues underpinning the negotiations between Iran and the P5+1 on Iran's nuclear programme. The information set out here is not exhaustive; rather it is intended to serve as a starting point for those interested in exploring the complexities of the Iranian nuclear challenge, now over a decade old. Further reading is provided at the bottom of the document.

Why are world powers seeking to place limits on Iran's nuclear programme?

The Iranian nuclear programme has been a source of international concern since 2002, when revelations regarding undeclared nuclear facilities in Iran prompted concerns that the Islamic Republic was seeking to acquire nuclear weapons.

Despite investigations by the International Atomic Energy Agency (IAEA) - which revealed evidence of nuclear weapons-relevant work¹ - and considerable diplomatic pressure, including the passage of several United Nations Security Council Resolutions (UNSCRs) since 2006 and the imposition of four sets of UN sanctions, Tehran has yet to satisfy the Agency, the Security Council and the wider international community that its ambitions are purely peaceful. For more detail on the nature and background of the Iranian nuclear challenge see [this article](#) by Prof Wyn Bowen and Jonathan Brewer

What do international experts say on the issue?

Much of the expert opinion on the issue is divided into two main camps:

- *Iran is seeking nuclear weapons* - According to this view, Iran is in pursuit of the bomb and Tehran's diplomatic engagement is simply a means of buying time for the programme to advance. Advocates of this view are largely against any deal that leaves Iran with enrichment capability.
- *Iran is seeking a nuclear weapons option* – According to this view, Iran is seeking to develop the knowledge and infrastructure that would allow it to 'go nuclear' relatively quickly if the decision was taken to do so. This is also known as 'nuclear hedging', a concept that Prof Wyn Bowen and Dr Matthew Moran [have explored in detail](#).

What is the Iranian perspective?

From the outset, Iran has maintained that its nuclear programme is for peaceful purposes only. Among other things, Tehran has argued that nuclear power would provide a welcome alternative source of energy for a growing population. Tapping the energy potential of nuclear power would also allow Iran to generate increased revenue from oil and gas sales.

Beyond the economic and energy perspective, the Iranian leadership has pointed towards the Supreme Leader's fatwa against nuclear weapons, claiming that this religious decree serves as a guarantee that Iran will not seek to acquire the bomb.

¹ Of particular relevance is the IAEA Board of Governors Report of 8 November 2011. This report included a 14-page annex that described the possible military dimensions to Iran's nuclear programme. This report is available [here](#).

What are the issues with these perspectives?

Each of these perspectives is problematic. In terms of weapons acquisition, there are at least three challenges to the argument. First, there is no conclusive evidence that the leadership in Tehran has made a decision to acquire the bomb. Second, there are a number of reasons why the dangers associated with acquiring nuclear weapons outweigh the benefits, not least the threat of military intervention on the part of Israel and/or the United States. Third, the most recent series of negotiations has resulted in considerable progress towards a lasting agreement. From the interim agreement of November 2013, to the comprehensive framework agreement of April 2015, Iran has engaged in a number of confidence building measures, including neutralising its stockpile of 20% enriched uranium.

At the other end of the spectrum, claims that the programme is for peaceful purposes are equally problematic. Iran's nuclear infrastructure far surpasses its current needs. Despite ambitious plans for multiple power plants – some 16 sites have been identified as suitable for the construction of new power plants – Iran only has one nuclear power plant and this is Russian built and will be Russian fuelled until at least 2021. Furthermore, in November 2014, [Russia reached a deal](#) with Iran to build two more nuclear reactors. These will also be fuelled by Russia, further undermining Iran's justification for its expansive enrichment programme.

A lack of transparency in the nuclear arena and concerted efforts to engage in illicit procurement of goods designed to support the nuclear programme also challenge the veracity of Iran's claims regarding the peaceful nature of its programme. [Project Alpha at the Centre for Science and Security Studies](#) has conducted a considerable amount of research in this area.

Sitting between these two points is the nuclear hedging perspective. This outlook is also open to debate – primarily because it is based on analysis that views the programme from the 'outside in' – yet there is considerable evidence to suggest that the Iranian strategy is based on this approach. Prof Wyn Bowen and Dr Matthew Moran set out this evidence in a [recent article](#).

When did the current diplomatic effort begin to gain momentum?

The latest diplomatic drive to find a lasting solution to the Iranian nuclear challenge series owes much to the election of Hassan Rouhani to the Iranian presidency in June 2013. A moderate politician with a taste for pragmatism, Rouhani made reengagement with the international community a priority. The current series of negotiations saw its first success in November 2013 when Iran and the P5+1 reached an interim agreement known as the Joint Plan of Action (JPA). This agreement served both to buy time for the diplomatic process to advance and as a means of building confidence between the negotiating parties.

Under the terms of the interim agreement, Iran agreed:

- To limit uranium enrichment to 5% for the 6-month duration of the agreement
- To freeze stockpiling of 5% UF₆ by converting to formats not suitable for further enrichment

- To neutralise its existing stockpile of uranium enriched to 20% - half of this stockpile will be kept as working stock of 20% oxide for fabrication of fuel for the Tehran Research Reactor (TRR), with no reconversion line to convert the 20% oxide back to UF₆, while the remainder will be diluted to no more than 5% enrichment.
- To make no further advances of its activities at the Natanz Fuel Enrichment Plant, the Fordow Fuel Enrichment Plant, and the construction of the Arak Heavy Water Reactor.
- To accept more intrusive inspections and monitoring by the IAEA

For their part, the P5+1 agreed:

- To pause efforts to reduce Iran's crude oil sales
- To release a portion of Iranian funds held abroad
- To suspend US and EU sanctions on petrochemical exports, gold and precious metals
- To suspend US sanctions on the auto industry
- To refrain from imposing new nuclear-related sanctions (US, EU and UN)

The JPA was envisaged as a six-month stepping-stone to a more permanent agreement. However, this proved inadequate for negotiators as they sought to develop a mutually-acceptable framework for a comprehensive deal. Consequently, the deadline for a comprehensive deal was extended twice: first until November 2014 and then until June 2015. The second extension required that a framework understanding be reached by March 2015 ahead of the final agreement in June.

What is the current state of play?

The P5+1 and Iran met the March deadline and released details of a framework agreement. In general terms, Iran agreed²:

- To reduce by its number of installed centrifuges by approximately two thirds (from 19,000 to just over 6,000) – a reduction of 68 per cent
- To limit its enrichment to 3.67 per cent for at least 15 years
- To reduce its stockpile of low enriched uranium (LEU) from some 10,000 kg to 300 kg for 15 years – a reduction of 97 per cent
- To place all excess centrifuges and related infrastructure in IAEA monitored storage, to be used only as replacements for operating equipment
- To build no new enrichment facilities for 15 years
- To convert its Fordow enrichment facility so that it is no longer used to enrich uranium
- To submit to a wide-ranging inspection and verification regime overseen by the IAEA for a period of 20 years
- To redesign the heavy water reactor at Arak so it produces a greatly reduced amount of plutonium

In return, the P5+1 have agreed:

- To lift nuclear-related sanctions on Iran (speed and timing to be determined)
- To lift all UN Security Council Resolutions on Iran once Iran addresses all key concerns

² Note: The details summarized below are largely adapted from the information sheet released by the US Department of State.

Current negotiations are focused on the more granular aspects of the framework agreement and how the provisions of this agreement will be applied in practice. The deadline for a comprehensive deal is 30 June 2015.

What are the obstacles to a comprehensive agreement?

While considerable progress has been made towards a lasting agreement (more, indeed, than has been achieved in the past decade), much remains to be done. Negotiators face a number of obstacles in their efforts to reach an agreement. The key issues at stake are:

- *Removal of sanctions* – A major sticking point in the negotiations is the timing and structure of sanctions relief. Iranian negotiators would like to see all sanctions lifted as soon as an agreement is signed. The P5+1 would like to see a phased removal of sanctions that would align with the implementation of specific aspects of the deal by Iran. In this context, Western powers have been exploring how sanctions might be rapidly reimposed if Iran is caught cheating.
- *Possible Military Dimensions (PMD) & access to military facilities* – Another sticking point in negotiations is the question of possible military dimensions to Iran's past nuclear activities. There are two camps here. On one side, there are those who argue that a comprehensive deal cannot be reached unless Iran answers all questions regarding the PMD to its past activities. This camp is pushing for IAEA inspectors to be granted wide-ranging access, including access to military sites such as the controversial complex at Parchin.

On the other side, there are those who feel that it is not politically possible for Iran to admit to nuclear weapons-related past activities and that this point should not become a deal-breaker. Iran has said that inspectors will not be allowed unfettered access to military facilities and emphasised that this is an issue of national security and sovereign rights and integrity.

- *US Congress* – While the Obama administration is keen to reach an agreement with Iran, progress has been overshadowed by a hawkish, republican-dominated Congress. A number of senators have been vocal in their opposition to a deal. Moreover, a bipartisan bill was recently passed by the Senate Foreign Relations Committee that will give US Congress a say on any final agreement.³ On the other side, President Rouhani has faced opposition from hardliners who argue that Iran is capitulating to the West and giving up too much of its nuclear programme.
- *Iran's stockpiles of enriched uranium* – In recent weeks, much attention has been given to Iran's fluctuating LEU stockpiles. Critics of a deal claim that increases in levels of LEU suggest that Iran may not adhere to the terms of the framework agreement (reduction of 97 per cent of its stockpile). Questions have also been raised as to how Iran will reduce its stockpile since Tehran has claimed it will not ship LEU out of the country. However, this is a red herring of sorts because Iran is not in breach of any commitments as long as it reaches the target amount by June 30.

³ It should be noted that a Congressional 'No Vote' would not be binding and could be vetoed by President Obama.

Further reading

- Dina Esfandiary and Ariane Tabatabai, '[Iran's ISIS policy](#)', *International Affairs* (2015), Vol.91, No.1, pp.1-15.
- Wyn Bowen and Matthew Moran, '[Iran's Nuclear Programme: A Case Study in Hedging?](#)', *Contemporary Security Policy* (2014), Vol.35, No.1, pp.26-52
- Matthew Moran and Daniel Salisbury, '[Sanctions and the Insurance Industry: Challenges and Opportunities](#)', *Business and Politics* (2014), Vol.16, No.2
- Daniel Salisbury and David Lowrie, '[Targeted: a case study in Iranian illicit procurement](#)', *Bulletin of the Atomic Scientists* (2013), Vol.69, No.3, pp.23-30.
- Christopher Hobbs and Matthew Moran, '[Looking Beyond a Nuclear-Armed Iran: Is Regional Proliferation Inevitable?](#)', *The International Spectator* (2012), Vol.47, No.4, pp.127-148.
- Matthew Moran and Christopher Hobbs, '[The Iranian Nuclear Dilemma: Light at the End of the Tunnel](#)', *Defense and Security Analysis* (2012), Vol.28, No.3, pp.202-212.
- Wyn Bowen and Jonathan Brewer, '[Iran's Nuclear Challenge: Nine Years and Counting](#)', *International Affairs* (2011), Vol.87, No.4, pp.923-943.

Op-eds and Briefings

- Dina Esfandiary, '[Is there any possible nuclear deal with Iran that would satisfy leaders of the Gulf states?](#)', *The Telegraph*, 4 May 2015
- Dina Esfandiary and Ariane Tabatabai, '[Why an Iran deal won't lead to nuclear proliferation](#)', The Washington Post Monkey Cage Blog, 28 April 2015
- Dina Esfandiary, '[Mission Impossible: Iran is too powerful to contain](#)', *The National Interest*, 11 April 2015
- Dina Esfandiary, '[War with Iran is the worst option](#)', The Lowy Interpreter, 26 March 2015.
- Wyn Bowen and Matthew Moran, '[Iran nuclear talks: What are the prospects for a lasting agreement?](#)', *The Telegraph*, 18 November 2014.
- Ian Stewart, Nick Gillard and Jonathan Brewer, '[Internet trading platforms: making it easier to get around sanctions?](#)', *Bulletin of the Atomic Scientists*, 31 October 2014.
- Ian Stewart and Nick Gillard, '[Sabotage? Iranian exhibition gives insights into illicit procurement methods and challenges](#)', *Project Alpha Proliferation Case Study Series*, 8 September 2014.
- Ian Stewart and Daniel Salisbury, '[Wanted: Karl Lee](#)', *The Diplomat*, 22 May 2014.
- Wyn Bowen and Matthew Moran, '[Is Tehran ready to deal because it has already fulfilled its nuclear aims?](#)', *The Lowy Interpreter*, 11 November 2013.
- Wyn Bowen and Matthew Moran, '[Containment, not rollback, is the key to Iran's nuclear future](#)', *The Conversation*, 5 November 2013.
- Wyn Bowen and Matthew Moran, '[Take advantage of the new era in Iranian foreign policy](#)', *The Guardian*, 1 October 2013.
- Matthew Moran and Christopher Hobbs, '[Would a nuclear Iran really trigger a new arms race in the Middle East?](#)', *The Guardian*, 19 December 2012.