There is growing determination to put a stop to Iran's nu

Facing Iran: Stepped-up Pr

by Emily B. Landau, Director of the Arms Control program, Institut

In response to Iran's ongoing defiance in the nuclear realm, the past couple of months have seen a notable increase in international pressure on Iran that aims to convince it to get serious about backing away from its military nuclear ambitions. International actors are finally moving closer to implementation of some of the harshest sanctions yet. The Obama administration signed into law on New Year's Eve sanctions that target the Central Bank in Iran, and the EU has just decided on an embargo on oil imports from Iran, which will be fully implemented from early July, although the immediate implication is that no new contracts for oil will be signed with Iran. Both the US and Europe have also taken decisions to apply sanctions to Iran's petrochemical industry.

Sanctions and their impact

Sanctions on the Central Bank and on Iranian oil exports had been avoided in the past because states continue to rely on Iranian oil, and due to fears of a spike in the price of oil that could result from a decision on these measures. This time, however, the new decisions on sanctions are being made amid reports of concerted efforts to get a number of oil producing states to agree to increase their oil output in order to keep prices stable. So while Greece, Italy and Spain (dependent on Iranian oil) are seeking prolonged grace periods to find alternative sources, the French foreign minister is clarifying that assurances have already been given by some oil producers to increase their output, although they prefer not to go public at this stage.

Additional measures

In addition to sanctions, and in the face of Iran's intransigence, there are indications of late of stepped-up efforts to forcibly



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clear efforts

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slow down Iran's nuclear progress, through action that includes cyber attacks, targeted killings of Iranian scientists with instrumental roles in the country's nuclear program, as well as a series of explosions in facilities with direct relevance to the development of a military capability. Beyond the direct damage that has been caused, these acts of sabotage have also highlighted Iran's vulnerability to attack from within. One of the features of sabotage is the lack of a return address, and Iran's vulnerability and growing isolation is exposed also by its inability to identify the executors.

All options are on the table

Finally, official statements – primarily in the US – have given new life to the stale refrain of "all options are on the table" for confronting Iran's military nuclear ambitions. Statements by Secretary of Defense Panetta and Chairman of the Joint Chiefs of Staff Dempsey over the past few weeks have clarified US resolve with a new forcefulness. These officials are saying that the US will prevent Iran from attaining nuclear weapons, without the usual addendum about the dire consequences of employing military force against yet another Middle East state.

First signs of impact

In the face of these new developments, Iran is showing signs of pressure. It is lashing out with threats – including recent warnings to the US and Europe not to impose an oil embargo, or else it will close the Strait of Hormuz; warnings to the US not to bring its aircraft carrier back into the Gulf; and warnings to Saudi Arabia not to increase its output of oil if an embargo on Iranian oil is put in place. Iran has also taken action – storming the British Embassy (that seems to have been carried out with at least the tacit consent of the regime), and announcements about moving uranium enrichment to the underground facility near Qom. But no one seems to be backing down in the face of Iranian threats, and the action taken against British diplomats only served to increase the level of international (and especially British) fury. Barack Obama sent a message directly to Supreme Leader Khamenei, via secret channels, that closing the Strait of Hormuz would mean crossing a clear US redline, and such action would trigger a forceful US response.

Israel prefers not to be at the forefront

In light of the identity of the protagonists behind the new international determination to confront Iran, one pertinent question is whether there might be a change in the makeup of the leading group of states confronting Iran. With Russia and China currently outside the dynamic, the US and Europe are shaping up as primary actors. And within Europe, clearly there are differences in the level of commitment to the goal of stopping Iran, with France and Britain now at the forefront. Might the P5+1 group of states be replaced by a more determined trio: the US, France and Britain? This is a possibility, perhaps with one or two additional like-minded states. Israel – while

Documentation

EU-Iran Relations

The EU is still Iran's principal trading partner, importing €14.5 bn of goods from Iran, and exporting €11.3 bn (2010 figures – both being less today than in the past). 90% of EU imports from Iran are oil and related products.

In 1998, Iran and the EU began to look at ways to formalise and enhance their relationship. The Council adopted a mandate to negotiate a comprehensive trade and co-operation agreement and a political dialogue agreement with Iran in 2001, with negotiations in both spheres starting in 2002, and running up to 2005.During the same period, a human rights dialogue was conducted until Iran declined to participate after 2004.

The EU wished gradually to deepen relations with Iran, pending progress by Iranian authorities in four areas: the human rights situation in Iran, Iran's attitude to the Middle East Peace Process, support to terrorist movements, and non-proliferation of weapons of mass destruction (WMDs), including nuclear.

This phase came to a halt in 2005, due to revelations on Iran's clandestine nuclear activities and Iranian refusal to fully cooperate with the IAEA. At its September 2005 meeting, the IAEA's board of governors found Iran in non-compliance with its safeguards obligations, because of "many failures and breaches of its obligations to comply with its NPT Safeguards Agreement". Subsequently, the Iranian nuclear issue was reported to the UNSC in March 2006.

EU sanctions are meant to persuade Iran to comply with its international obligations and to constrain its development of sensitive technologies in support of its nuclear and missile programmes. The measures both implement UNSC resolutions and include additional autonomous EU measures. The EU sanctions were last strengthened on 23 January 2012 when the Foreign Affairs Council inter alia imposed an import ban on Iranian crude oil and froze the assets of the Iranian central bank within the EU.

For more information on restrictive measures see page 24.

Source: Council of the European Union

understandably highly concerned about Iran's nuclear progress – should refrain from placing itself at the forefront of the international effort to stop Iran. Israel has always said it prefers for the international community to spearhead efforts in this regard, and it should support the new and increased determination currently being displayed.

Continuous pressure could make Iran blink

A final point relates to fears that have been raised in media commentary lately, regarding the risks of taking a more determined international stance against Iran. Pundits have warned of the dangers of escalation, as well as the fear that Iran would "redouble its efforts" to achieve a military capability. These fears seem to be without basis. Iran might be trying to escalate, but right now it is looking quite weak and ineffective. As for the redoubling of efforts or increased motivation to achieve a military capability, Iran is already moving forward as fast as it can, and is noticeably determined and motivated. So easing the pressure for these reasons would make no sense. Increasing the pressure, however, could ultimately make Iran blink. The fact that high-level IAEA officials met with Iranians in late January, specifically to discuss concerns about Iran's suspected secret military nuclear program, may be a first crack, and an indication that pressure can work.

Fact sheet

Restrictive measures on Iran

23 January 2012: EU announces new sanctions on Iran's central bank and an embargo on oil imports from Iran to be fully implemented from early July 2012.

November 2011: In reaction to the storming of the British embassy in Tehran, the UK as well as France, Germany, Italy and the Netherlands recall their ambassadors to Iran.

21 November 2011: The United Kingdom unilaterally imposes sanctions restricting financial cooperation with Iranian banks.

1 February 2011: EU adopts motion calling for implementation of the EU bans, as well as the opening of an EU delegation in Tehran to keep diplomatic channels open.

22 January 2011: Negotiations between the EU, US, UK, Russia, France and Germany and Iran in Istanbul break down.

December 2010: Meetings in Geneva between Iran and the United States, Russia, France, Germany, the United Kingdom and China do not lead to any agreement.

25 October 2010: The EU enacts new sanctions against Iran targeting the energy, insurance, transport and financial markets.

26 July 2010: EU imposes tougher sanctions on Iran, aiming to block investments in oil and gas, and curtailing Iran's refining capabilities.

19 January 2010: Iran rejects the IAEA brokered deal from April 2009.

8 April 2009: E3+3 (France, Germany and the United Kingdom plus China, Russia and U.S) offer Iran a "freeze-for-freeze" deal, freezing sanctions if Iran freezes its nuclear program.

10 November 2008: Iranian banks are added to the EU list of sanctions.

April 2007: The Council of the European Union publishes a list of prohibited technology associated with Iran's nuclear program, and bans export of and investments in companies associated with the prohibited areas.

2007: EU foreign policy-chief Javier Solana meets regularly with Iranian officials

August 2005: Negotiations for a Trade and Cooperation Agreement (TCA) between the EU and Iran are put on hold due to Iran's nuclear program.

26 November 2004: The EU and Iran sign the "Tehran Agreed Statement" according to which Iran will temporarily suspend all uranium-enrichment activities during negotiations its nuclear program.

2003: EU/E3 (France, Germany and the United Kingdom) begin negotiations with Iran on nuclear issues, urging Iran to comply with IAEA directives.