

# Stalemate in Talks with Iran on a Return to the Nuclear Agreement

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**The talks in Vienna between the United States and Iran over a return to the nuclear agreement ended with the text of the deal almost complete. Conclusion of the deal is awaiting political decisions in Washington and Tehran, mostly concerning the Iranian demand, which has met with American opposition, to remove the Revolutionary Guards from the US State Department's list of foreign terror organizations (FTO). The issue is largely symbolic, since the move would have no impact on the sanctions imposed on the Revolutionary Guards. While both sides, with the mediation of European countries participating in the process, seek a bridging formula, at this stage the chances of finalizing the deal are equal to the chances of the talks collapsing. The Israeli government must continue its discreet strategic dialogue with the US administration on this matter. Such dialogue will become even more important in the event that the nuclear deal is not renewed, since it appears that at present, apart from general statements, neither country has a concrete, agreed plan for dealing with Iran's intentions to continue to advance its nuclear program.**

In the year since the start of the talks in Vienna between the United States and Iran on a return to the nuclear deal (JCPOA), the parties have made considerable progress toward bridging the gaps between them. However, for the moment, despite their wish to reach a positive agreement, it appears that both countries are still solidly entrenched behind their remaining demands, and each side is casting responsibility for taking the final decisions on its rival.

The indirect talks between Washington and Tehran held in Vienna with the mediation of European Union foreign policy officials and in the framework of various committees – nuclear, sanctions, and their synchronization – have ended. For the past few weeks, since the delegations returned to their capital cities, there have been no further meetings in Vienna. The issues that remain open require political decisions in Washington and Tehran. Iran and the United States have exchanged draft agreements and the EU representative visited Tehran and Washington in an attempt to promote agreement on issues that are blocking renewal of the deal. The Iranians

stated that they would only return to Vienna to finalize the agreement. Whatever the case, at present it appears that the chances of concluding an agreement are equal to the chances of the talks collapsing.

Over the past year, the progress and contents of the negotiations were affected above all by the Iranian presidential elections, since the original delegation working with the government of Hassan Rouhani was replaced by a team appointed by the new president, Ebrahim Raisi, which presented more extreme positions, and even led to a suspension of five months in the process. Notwithstanding its desire to return to the deal, the US administration has been hampered by conflicting views, and many senators, including Democrats, have expressed strong criticism of the administration, which for its part appeared hesitant over the decisions it was required to make. At a later stage, against the background of the war in Ukraine, Russia also made demands, first and foremost for written assurance that the sanctions imposed on it would not interfere with its economic and military cooperation with Iran. While these issues were resolved, they cast a pall over the process and caused delays.

Reports made public show that during the talks, the parties reached agreement about issues relating to technical aspects of the steps that Iran must take as part of the return to the terms of the original agreement; these are already part of the existing document. Nevertheless, even if there is an intention to work in accordance with the original agreement, the practical significance does not mean a full return to the situation based on the original timetable, i.e., had President Trump not decided to withdraw from the deal and had it remained in force. Indeed, after the American withdrawal, Iran made great progress in gaining knowledge about high level uranium enrichment, and about acquiring advanced centrifuges and the ability to operate them. Even if it has no access to the centrifuges and they are under IAEA supervision, they will remain in its territory, and it will still have the experience required to produce uranium metal. These areas are directly related to the extensive knowledge accumulated by Iran on how to proceed toward nuclear weapons, and therefore have a clear impact on the timetable governing any Iranian decision on a breakout. The head of the

Atomic Energy Organization of Iran recently announced that in a new agreement, Iran can retain within its territory 2.5 kg of 60 percent enriched uranium. If this was indeed agreed, it is not significant for the amount involved, but it has enormous symbolic importance for Tehran, which is meanwhile engaged in talks with Russia about transferring the rest of the enriched material to its territory, as stipulated in the original agreement.

Great strides have also been made on the central and most important issue for Tehran – the removal of sanctions. The Biden administration has agreed not only to restore the sanctions that were removed when the nuclear deal came into force (January 2016), but also to remove additional sanctions imposed by the Trump administration, based on laws relating to terror and human rights, and including sanctions on the Central Bank, which could affect Iran's ability to realize any financial gains. However, there are signs that a number of additional Iranian demands, included in its demand for full lifting of the sanctions imposed by the Trump administration, are preventing a positive conclusion and the ability to announce a mutual return to the agreement. At the focus is the issue of removing the Revolutionary Guards from the US State Department's list of foreign terror organizations (FTO). They were added to the list late in the Trump administration.

The main significance of this issue is symbolic, since the Iranian Revolutionary Guards Corps will continue to be subject to a range of sanctions imposed by the US Treasury Department. However, the matter has become a significant stumbling block. For the Iranian regime, the Revolutionary Guards are the mainstay of its stability, as well as being close allies of Supreme Leader Ali Khamenei and controlling about a third of the Iranian economy. Consequently, the regime is determined that they be removed from the FTO list and has made this a non-negotiable condition. On the other side, the US administration has encountered strong internal political opposition to such a move, not only from Republicans but also from central figures in the Democrat party. Middle East friends of the United States, above all Israel, are likewise exerting pressure to prevent this step. Israeli Prime Minister Naftali Bennett and Foreign Minister Yair Lapid

jointly called on the administration not to remove the Revolutionary Guards from the terrorist list, as did senior officials from the Gulf states.

The internal difficulties facing the administration, partly over possible attacks by the militias operated by the Revolutionary Guards against the US forces stationed in Iraq, became more complex following leaks from Washington hinting at intelligence about an attempt by the Revolutionary Guards to physically attack senior members of the former administration who were involved in the targeted killing of Qasem Soleimani. As a result, they were provided with personal bodyguards. Added to the difficulty for the administration of supporting a declaration that the Revolutionary Guards are not a terrorist organization is the fact that the sanctions on the IRGC were not imposed by virtue of legislation relating to the nuclear issue but were based on legislation dealing with terrorist activity.

The administration's deliberations continue, although it was recently reported that it is expected to stand firm in its refusal to remove the IRGC, or at least the Quds Force, from the list. This is based on the clear position expressed recently to Congress by Chairman of the Joint Chiefs of Staff General Mark Milley, who said in response to a direct question: "In my personal opinion, I believe the IRGC Quds Force to be a terrorist organization, and I do not support them being delisted from the foreign terrorist organization list." Secretary of State Antony Blinken stressed that they are indeed a terrorist organization, and according to leaks from the White House, President Biden shares this view.

For now, contacts between the parties continue with European mediation, and in this framework the United States is demanding an unequivocal declaration from Iran that it will desist from subversive activities and attacks on US forces in the Middle East. For its part, Iran insists on the removal of the Revolutionary Guards from the list of terrorist organizations. Meanwhile, Washington's attention is currently fully engaged with the intensive activity demanded by the Ukrainian crisis. There are signs that Tehran is beginning to fear that the administration will avoid decisions on issues of internal political significance, particularly just a few months before the mid-term Congressional elections. The loss of the Democratic majority

in the Senate and perhaps also in the House of Representatives would cast a shadow over Biden's presidency.

However, since both the United States and Iran are very interested in a return to the nuclear deal, and the US administration understands that any alternatives will be very problematic, they will probably seek a way to overcome their differences. True, Washington has declared that it is prepared to implement alternatives to the non-resumption of the treaty, but in fact, apart from general statements, the administration appears to have no orderly plan for its policy toward Iran if the current negotiations collapse. It seems likely that even if the parties fail to reach agreement at the present time, attempts to bridge the gaps will continue, especially since the continuing progress of the Iranian nuclear program will make it harder to return to the nuclear agreement, and the chances of talks over a new deal are extremely low.

In any event, the Israeli government must continue its discreet strategic dialogue with the US administration and certainly avoid provoking it in public. This dialogue will become even more important in the event that the nuclear deal is not renewed, since it appears that at present neither Israel nor the United States has a concrete and agreed plan for dealing with Iran's acceleration of its nuclear program and the difficulties it poses to the IAEA regarding inspection. Moreover, even if the administration fails to earn a majority in both houses of Congress in the mid-term elections, it will remain in office for two years, and it is vital for Israel to maintain good relations with respect to the entire gamut of political and security issues on the agenda.