



**INSS Insight** No. 682, April 6, 2015

## **The Lausanne Statement on the Iranian Nuclear Program: Insights and Recommendations**

**Amos Yadlin**

The parameters of the future, comprehensive agreement between Iran and the world powers, as made public by the US administration last week, highlight the problematic nature of the ostensible agreement between Iran and the P5+1. The coming three months promise continued negotiations that are meant to result in a final agreement that would significantly reduce the danger of the Iranian nuclear program becoming a military program for producing nuclear weapons. What follows are insights on the parameters made public and policy recommendations for continued negotiations with Iran about the nuclear issue. Not least among them is the emphasis on the need for honest, credible dialogue between the government of Israel and the US administration, which would both help roll back the Iranian nuclear program and distance Iran from the nuclear threshold for the long term, as well as encourage agreement between the US and Israel with regard to the response in case Iran breaches the agreement, as North Korea did in its case.

**Finality of the agreed principles:** There is at yet no signed agreement. What emerged at Lausanne is an unsigned joint statement of principles, to serve as a basis for further negotiation until an agreement is reached by June 30, 2015. To be sure, this statement was accompanied by a US document that discusses in detail most of the key issues, but the guideline whereby “until everything is finalized, nothing is finalized” must hold true for the Lausanne statement. Barely 24 hours elapsed after the US statement was issued before Iran’s Foreign Minister Zarif blamed the administration for making public a memorandum of understandings that does not reflect precisely the “agreement.” Therefore, one should note the deafening silence of Iran’s Supreme Leader on this matter, since late in the previous decade he failed to approve an agreement forged by then President Ahmadinejad with Turkey and Brazil to impose restrictions on Iran’s nuclear program (in context of the Tehran Research Reactor – TRR).

**Recommendation:** The Iranian response to the US document and the Supreme Leader’s position on this matter must be observed closely. It is important to demand that the Supreme Leader issue a *fatwa* against nuclear arms – mentioned by President Obama, but which has yet to be heard in Khamenei’s own voice.

**Significance of the principles of the agreement:** This is neither a “very bad agreement” nor an “achievement of historic significance.” Rather, this is a compromise that contains important achievements for the major powers in terms of setting back the Iranian nuclear program and imposing key restrictions on future development of the Iranian nuclear program as well as unprecedented supervision. Conversely, the “agreement” provides Iran with legitimacy as a nuclear threshold state, allows it some leeway in making progress on research and development, and provides it with significant resources to continue its support for subversion and terrorism.

**Recommendation:** In order to guarantee that this agreement indeed evolves into an achievement that “cut[s] off every pathway Iran could take to develop a nuclear weapon”, as expressed by President Obama, and would not enable Iran’s way toward the bomb, as estimated by Prime Minister Netanyahu, a three-stage move must take place: (a) formulate an agreement by June 30, 2015 to close all the loopholes in the current agreement; (b) establish a comprehensive, intensive verification regime to prevent Iran from advancing its nuclear program; (c) make it unequivocally clear to Iran that any attempt to breach or bypass the agreement would result in a severe response.

**This is a compromise, leaning toward the Iranian side:** The agreement reached in Lausanne is a problematic compromise reached by the negotiators – one that reflects the US eagerness to reach an agreement for fear of the failure to reach an agreement, the fear of war, or fear that the other powers would not join in another round of sanctions. For its part, Iran came to these negotiations seeking to promote one clear objective: to have the sanctions that have hurt Iran’s energy and finance sectors significantly lifted immediately. This drive forced Iran to compromise. However, the Iranians have understood the US desire to reach an agreement and the perceived lack of alternatives should the talks conclude without an agreement, which is why Iran was able to drive a harder bargain than the powers.

**Recommendation:** The US should review the overall set of alternatives, create alternatives in case of failure to reach agreement – including another round of sanctions, as well as diplomatic and military alternatives that do not necessarily amount to war – and convey the credibility of these alternatives.

**Is the glass half empty or half full?** Supporters cite three key achievements: First, a rollback of Iran’s current nuclear capabilities, prevention of the development of further capabilities over the next 10-15 years, and unprecedented supervisory arrangements. For the nuclear enrichment track, this means removing 13,000 centrifuges, and removal or dilution of 10 tons of enriched material currently in Iran, which is sufficient for 7-8 nuclear bombs. Enrichment in Iran would continue only with first generation centrifuges and is not to exceed 3.67 percent. The Fordow facility would become a research facility with no nuclear material. The plutonium track would be blocked by modifying the reactor core at Arak to a core incapable of producing weapons-grade plutonium. Second, no

heavy water reactors and nuclear enrichment facilities may be constructed in Iran in the next decade. Finally, Iran would be subject to supervision according to the IAEA Additional Protocol, which ensures significantly better transparency and access than previously, and supervision that includes monitoring of the procurement chain and centrifuge production facilities.

Those who object to the agreement highlight the mirror image regarding those capabilities retained by Iran, the concern about development of additional capabilities that would shorten the breakout time during the term of the “agreement,” and the loopholes in the verification regime and its restrictions. The glass half empty lies in the fact that no nuclear facilities would be shut down, Iran would retain 6,000 centrifuges, and any material removed would not be demolished and would be available to be installed rapidly in case of breach of the agreement. The verification arrangements were not extended to the issue of “possible military dimensions of the program” (PMD), and what Iran is allowed to do with regard to continued research and development does not restrict its capacity to further install advanced centrifuges.

**Recommendation:** It is imperative to clarify several amorphous issues in the statement of principles and define them better in the final agreement. Without such clarifications, the target set by the US President will not be achieved, namely: effective rollback of Iran to a breakout period to a nuclear bomb of one year, without allowing Iran to shorten this breakout period during the term of the agreement. The PMD issue is critical. It is important to verify that no final agreement is signed without a full, comprehensive response by Iran to IAEA questions on this matter and without extending supervision to facilities, people, documents, and organizations related to weapons operations in Iran. Other matters to be addressed include neutralizing those centrifuges removed from use, so as to prevent their return to use, and restrictions on the possible future application of advanced centrifuge research.

**Between nuclear negotiations and subversion, terrorism, and human rights abuse:** It is no wonder that the agreement does not concern other negative activity by Iran: extensive subversion in the Middle East, weapons shipments, development of long range ballistic missiles, promotion of terrorism, and significant, continued abuse of human rights. As early as the interim agreements signed in January 2014, the nuclear issue was separated from these other issues, with the nuclear issue given priority under the assumption that the issue of nuclear weapons development is the most strategic threat, more dangerous than the other troublesome aspects of Iran’s foreign and domestic policies.

**Recommendation:** The US should clarify that the emerging nuclear agreement does not give Iran a green light to continue with subversion and terrorism – and should back this with decisive, resolute action against Iran on all fronts in which Iran operates across the Middle East. Washington should alleviate the deep concern, across the Arab Sunni world

and in Israel, with regard to a potential US-Iran strategic alliance. The US should remain committed to sanctions imposed on Iran regarding Tehran's involvement in terrorism, weapons shipments, abuse of human rights, and missile development and proliferation.

**Israel and the United States:** Due to the strained relations, mistrust, and diametrically opposed positions on Iran of the Obama administration and the Netanyahu government, Israel and the United States have failed to agree on future steps toward potential Iranian breach and minimization of the risks of the future agreement.

**Recommendation:** Contacts at appropriate levels between the two countries should be resumed as soon as possible, so that the Israeli input on the shortcomings of the statement of principles may be used to amend the agreement in advance of June 30, and to reach mutual, coordinated understandings so as to minimize the risk to Israel inherent in this agreement. Action is recommended in the following areas: improve the agreement so as to prevent Iran from crawling back to the nuclear threshold or shortening the breakout period under protection of the agreement; ensure maximum supervision, verification, and transparency; establish bilateral mechanisms for early detection of any breach; fortify Israel with assistance and weapons that would deter Iran from any breach of the agreement; and intensify understandings with regard to decisive reaction to any such breach. The two countries should discuss how to best avoid a repeat of the North Korea scenario in the case of Iran.

\* \* \*

In December 2013, immediately after signing of the interim agreement with Iran, the author of this article asked President Obama, at the Saban Forum, what are the parameters as to which there would be no compromise in the anticipated final agreement with Iran. In his detailed response, the President highlighted the principle whereby Iran would retain a "nuclear program for peaceful purposes" only. The President insisted that the Fordow enrichment facility, the Arak heavy water reactor, and the development of advanced centrifuges are not part of a nuclear program for peaceful purposes. However, Iran's insistence on allowing these components, as well as 6000 centrifuges, in the final agreement – and the powers' consent on this matter, although limited – indicate that actually the statement by Iran's Supreme Leader, whereby Iran would retain an industrial nuclear capability, was more influential with regard to the principles for such agreement.

There is grave concern that Iran's program, though subject to a final agreement to be signed by Iran and by the powers, will not be a nuclear program for peaceful purposes. Therefore, the US administration must be adamant that it will adhere to the current targets set by the President: unequivocal commitment to blocking all of Iran's paths to a nuclear bomb, unprecedented, intrusive supervision, and retention of the sanctions pending fulfillment of all of Iran's obligations pursuant to terms of the agreement. For its

part, Israel should strive for tighter coordination with the US with regard to continued negotiations on a final agreement with Iran and should strive to maintain an ongoing dialogue with the administration in order to amend sections of the agreement whereby Iran may take the opportunity to continue its nuclear development. Israel and the US should agree on how to minimize the risk to Israel's security that emerged from the Joint Comprehensive Plan of Action regarding the Islamic Republic of Iran's nuclear program. Finally, Israel and the US should reach explicit agreement on how the two countries would act to stop Iran, should it fail to fulfill the agreement in its entirety or should Iran unilaterally terminate the agreement.

