

Iran's Decision on Nuclear Deal

Why in news?

Iran has announced that it would reduce its commitments under the 2015 nuclear deal, the Joint Comprehensive Plan of Action.

Click <u>here</u> to know more on the deal.

What was the deal on?

- The Iran nuclear deal (or the Joint Comprehensive Plan of Action (JCPOA)) was signed between Iran and the P5, plus Germany and the EU in 2015.
- [P5 is the 5 permanent members of the UNSC (US, China, France, Russia, and UK).]
- The deal aimed at curbing Iran's nuclear programme.
- Under the deal:
 - i. most of Iran's enriched uranium was shipped out of the country
 - ii. a heavy water facility was rendered inoperable
 - iii. operational nuclear facilities were brought under international inspection
- In return, the deal involved lifting of international sanctions on Iran.

What is Iran's decision now?

- Iran has announced the suspension of some of the restrictions in the deal, and not of withdrawing from the deal.
- It will immediately stop shipping out excess enriched uranium and heavy water.
- Iran would give remaining parties to the deal 60 days to find solutions to shield Iran's banking and oil sectors from U.S. sanctions.

What led to this?

• The very idea for Iran agreeing to the deal was that it would help lift sanctions, providing relief to its economy.

- But U.S. withdrawal from the nuclear deal and the increasing pressure thereafter made implementation of the deal difficult.
- Iran's move now is a response to a year of increasing struggles with renewed sanctions, a new set of U.S. sanctions and several provocative U.S. threats.
- Recently, U.S. President Trump designated <u>Iran's Islamic Revolutionary</u> <u>Guard Corps</u> as a foreign terrorist organization.
- The U.S. also announced an end to waivers that allowed 8 countries, including India, to purchase Iranian oil. Click <u>here</u> to know more.
- Resultantly, Iran's oil shipments have significantly been affected.
- U.S. also revoked two waivers allowing Iran to ship excess heavy water to Oman and trade excess enriched uranium for low enriched uranium with other countries.
- This effectively limits Iran's ability to continue implementing its commitments under the deal.
- The countries which remained committed to the JCPOA feared the US would directly impose sanctions on anyone who dealt with Iran.

What are the likely implications?

- In theory, excess enriched uranium and heavy water allows Iran to expand its nuclear programme.
- The big threat is that it will resume higher levels of enrichment to build weapons unless its grievances are addressed in 60 days.
- Iran's concerns are genuine as it is being punished even as it is compliant with the terms of the agreement.
- Iran's decision is more of a warning than a move to break the nuclear deal.
- So it is high time that European signatories to the nuclear pact address Iran's concerns.
- If Europe does not find a solution in 60 days and Iran sticks to its threat, the deal will collapse, giving more reason to the U.S. to escalate hostilities.
- US has, among other things, deployed an aircraft carrier and a bomber squad to the Gulf.

What is the way forward?

- European countries have been working on a mechanism, which is still in the initial stages.
- It allows Europe to trade with Iran through a barter system avoiding the dollar and circumventing sanctions.
- But it has not covered oil trade, the mainstay of Iran's economy.
- In any case, Europe should stand firmly up to the U.S.'s unilateral threats and pressure, and come up with ways to help Iran.

- A practical alternative would be for Iran to deepen cooperation with other signatories instead of breaking the deal.
- A collapse of the deal would not only exacerbate the Iran nuclear crisis but also set a bad precedent in international diplomacy.

Source: The Washington Post, The Hindu

