



IRAN'S NUCLEAR PROGRAMME

Securing A Permanent And Comprehensive Nuclear Agreement

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Background to the Report

In April 2014, Conservative Friends of Israel led a delegation of Conservative Members of Parliament to Israel for a series of high-profile meetings and briefings about the Islamic Republic of Iran and its nuclear programme.

The Members of Parliament sought to gain a deeper understanding of Iran's nuclear programme and the status of diplomatic talks between Iran and the P5+1 for a comprehensive, permanent nuclear agreement.

The group met with a range of groups and individuals with expertise on the subject matter. In an effort to acquire a broad understanding of the issues, the itinerary afforded the group the opportunity to meet with Government and security officials, academics, and journalists. We are grateful to all those who have helped us during the course of inquiry and in producing this Report.

Executive Summary

- 1) As a member of the P5+1, the UK has played a leading role in the international community's handling of the Iranian nuclear issue and the British Government should be applauded for its tough stance towards Iran. The UK now stands to play a decisive part in shaping the terms of a permanent and comprehensive nuclear agreement with Iran – it must ensure that any such deal is the right one.
- 2) The surest way of guaranteeing Iran does not become a nuclear power is to eliminate its nuclear infrastructure. The Government of Israel has publicly called for the complete dismantlement of Iran's nuclear programme and prohibiting of any nuclear enrichment activities. The P5+1's negotiating position falls significantly short of this. Given the P5+1's current negotiating position, this Report will contend that the focus now needs to be on securing a permanent and comprehensive nuclear agreement that leaves Iran's critical nuclear assets significantly reduced and places severe limitations on its 'breakout' capability - Iran's ability to escape all restrictions on its nuclear programme and quickly produce a nuclear weapon. The longer the 'breakout' time the greater the chance that any Iranian dash for a nuclear bomb would be detected by the IAEA in a timely fashion.
- 3) Concerns over Iran's nuclear programme are not unfounded. Iran's sizeable nuclear programme features the key components required to facilitate the domestic construction of a nuclear weapon. Active components include Iran's possession of large quantities of enriched materials, Iran's knowledge to convert enriched materials into weaponised form, and Iran's development and possession of a delivery mechanism, such as a ballistic missile. Iran must be obligated to methodically address all three of these issues, and any permanent nuclear agreement must directly curtail each of them. Iran has, until now, failed to adequately explain why it requires such extensive uranium enrichment activities for what it claims is a strictly civil nuclear programme, and has no military intentions.
- 4) The Joint Plan of Action marks the first time the P5+1 has tacitly recognised Iran's right to enrich uranium: Iran's principle demand. This fundamental change in the P5+1's original negotiating position directly abandons six UN Security Council resolutions (UNSCR 1696, 1737, 1747, 1803, 1835, and 1929) calling for the immediate suspension of the entirety of Iran's enrichment programme. If, as appears likely, a permanent deal will permit Iran to retain enrichment capabilities, the P5+1 must severely limit this nuclear capacity and force Iran to put its nuclear programme beyond use for weaponisation. The P5+1 must ensure Iran's 'breakout' time is measured in number of years, not number of months. The international community must possess the longest possible period of time to detect any attempt by Iran to 'breakout' for nuclear weapons, decide on response, and act before Iran acquires a bomb. If this is not possible, it calls into question the wisdom of permitting Iran to retain enrichment capabilities.
- 5) A permanent, binding nuclear agreement should require Iran to dismantle most of its existing centrifuges and permit it to retain only a defined and limited number of non-advanced centrifuges (no more than a couple of thousand), in order to provide the longest possible 'breakout' time. In the event of a final agreement, Iranian uranium enrichment must not exceed levels needed for a legitimate peaceful civilian nuclear programme (3.5% fissile purity). Additionally, any enriched uranium stockpiles must be restricted to a strictly low-level, totaling less than the amount required for one bomb.
- 6) A permanent and comprehensive nuclear agreement should require Iran to dismantle the entire Arak facility as this is the surest way of guaranteeing Iran will not resume plutonium production. At the very least the P5+1 must require Iran to re-engineer Arak's heavy-water reactor so that it would not be able to produce fissile material for a bomb. IAEA inspectors must also be granted immediate and on-going access to the Arak site.

- 7)** The verification of Iran's nuclear related activities, and the apparatus to enforce it, will determine the lasting success of any permanent nuclear agreement. A permanent deal requires a tight and unprecedented system of inspection of Iran's past and future nuclear activities to verify that it adheres to the terms of any agreement and does not attempt to 'breakout'. A permanent agreement must require Iran to allow, and grant protection for, highly intrusive and stringent inspections for a pre-determined period.
- 8)** The P5+1 must seek an enduring deal to last a considerable length of time, perhaps as long as 30-50 years, to ensure a substantive change in Iran's strategic conduct. Iran cannot expect to be treated as a 'normal' non-nuclear weapons state the day after a comprehensive deal is signed. It must earn the right to be treated this way through the perpetual demonstration of peaceful nuclear intentions, for the duration of any long-term agreement.
- 9)** Without insight into the full extent of Iran's clandestine nuclear activities, no amount of monitoring and inspection can provide true confidence that Iran lacks a parallel programme beyond inspectors' view. Iran must be obligated to provide a full, historical accounting of 'possible military dimensions' (PMD) in its nuclear activities before any accord is signed. Knowledge of this is vital to ensure the international community is best placed to detect a future Iranian attempt to dash across the nuclear finish line. Any final agreement must ensure full and immediate compliance by Iran with IAEA investigations on this matter.
- 10)** UNSC Resolution 1929 explicitly prohibits Iran from undertaking any activity related to ballistic missiles. Preventing Iran's development of nuclear weapons delivery systems serves as one important barrier in ensuring that Iran does not achieve nuclear weapons capability, although other means of delivering nuclear payloads do exist. For this reason, Tehran's ballistic missile programme must not be relegated to the sidelines of the talks. Any comprehensive agreement must require Iran to fully abide by UNSC Resolution 1929.
- 11)** Sanctions remain the P5+1's most coercive tool. Sanctions should only be gradually lifted, as an incentive for Iran to continue meeting its obligations long after a permanent deal has been signed. The sanctions architecture must remain in force as each time sanctions are lifted it becomes ever more difficult, if not impossible, to secure the required support to re-impose them in the event of any Iranian breaches of the terms of a nuclear agreement. The P5+1 can commit to gradually releasing money to Iran, but ought to abstain from tampering with existing sanctions to prevent further deterioration of the framework.
- 12)** The removal of sanctions should be phased to best encourage Iran to meet the obligations it has agreed to and allow the international community sufficient time to test Iran's commitment to a comprehensive deal and prevent a premature, permanent unraveling of the sanctions regime. Reversible sanctions, such as unfreezing assets, should be lifted first. Irreversible sanctions, such as oil and financial sanctions, which would release hundreds of billions of dollars in oil revenue, should only be lifted at a later date in accordance with Iranian compliance with the full terms of a comprehensive agreement.
- 13)** A permanent and comprehensive deal must credibly threaten severe penalties for any Iranian duplicity and non-compliance and should therefore explicitly detail a workable 'snap-back' mechanism to re-impose sanctions if Iran breaches the terms of any agreement. Specific and detailed commitments from the P5+1, the UN Security Council, and other key players, to re-impose sanctions if Iran went beyond permitted nuclear activities, is required. Additionally, the re-imposition of sanctions must occur in the event of both outright breaches of the nuclear agreement, as well as those of a more ambiguous nature.

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Introduction

Iran's nuclear programme has been one of the most intractable international security problems in recent decades.

The international community has long-standing concerns that Iran's nuclear programme is intended for military purposes. The time has come for Iran to respond to these legitimate concerns and demonstrate the exclusively peaceful, civilian nature of its nuclear programme and intentions. It cannot be considered a 'normal' non-nuclear weapons state until it has categorically done so.

The P5+1 (the United Nations Security Council's permanent members plus Germany) are currently working towards a solution in the form of a negotiated, permanent and comprehensive nuclear agreement. This concerted diplomatic effort follows the signing of the interim Joint Plan of Action (JPA), which was designed to allow six months of negotiations on a final agreement – the current deadline has been extended to November 24th 2014.

As a member of the P5+1, the UK has played a leading role in the international community's handling of the Iranian nuclear issue. The British Government should be applauded for its tough stance towards Iran. Iran's nuclear activities, support for international terrorism and human rights abuses are legitimate cause for concern and warrant strong condemnation. The UK has tirelessly pressed Iran to respond to international concerns over its nuclear activities; even unilaterally imposing an unprecedented series of sanctions against Iran for its continued non-compliance. The UK now stands to play a decisive part in shaping the terms of a final nuclear agreement with Iran – it must ensure that any such deal is the right one.

Concerns over Iran's nuclear programme are not unfounded. Iran's sizeable nuclear programme features the key components required to facilitate the domestic construction of a nuclear weapon. Active components include Iran's possession of large quantities of enriched materials, Iran's knowledge to convert enriched materials into weaponised form, and Iran's development and possession of a delivery mechanism, such as a ballistic missile. Iran must be obligated to methodically address all three of these issues, and any permanent nuclear agreement must directly curtail each of them.

The surest way of guaranteeing Iran does not become a nuclear power is to eliminate its nuclear infrastructure. The Government of Israel has publicly called for the complete dismantlement of Iran's nuclear programme and prohibiting of any nuclear enrichment activities. The P5+1's negotiating position falls significantly short of this.

Given the P5+1's current negotiating position, this Report will contend that the focus now needs to be on securing a permanent and comprehensive nuclear agreement that leaves Iran's critical nuclear assets significantly reduced and place severe limitations on its 'breakout' capability - Iran's ability to escape all restrictions on its nuclear programme and quickly produce a nuclear weapon. The longer the 'breakout' time the greater the chance that any Iranian dash for a nuclear bomb would be detected by the IAEA in a timely fashion. The amount of time Iran will have in any 'breakout' scenario will depend on not just the number and sophistication of centrifuges in operation, but also the size of Iran's inventory of enriched uranium stockpiles; the frequency and breadth of nuclear inspections; future military activities related to the formation of a nuclear device; research and development activities; the ability to detect secret facilities; and even the status of its ballistic missile programme.

As David Albright, a former UN inspector in Iraq notes:

"To be credible, a final agreement must ensure that any effort by Tehran to construct a bomb would be sufficiently time-consuming and detectable that the international community could act decisively to prevent Iran from succeeding".¹

This Report will endeavour to look at each issue under discussion in the current negotiations. The Report will make a series of recommendations for the contents of a permanent and comprehensive nuclear agreement governing Iran's nuclear programme.

¹ <http://online.wsj.com/news/articles/SB10001424052702304081804579559630836775474>

Joint Plan of Action

A permanent agreement would build on the Joint Plan of Action (JPA) reached in November 2013 between the Islamic Republic of Iran and the P5+1. The JPA began as an interim six-month agreement in which Iran vowed to temporarily freeze aspects of its nuclear programme in return for limited sanctions relief. The JPA is intended as a first step towards a conclusive, final-status agreement, to comprehensively address the international community's long-standing concerns that Iran's nuclear programme is intended for military purposes. The interim deal, and the accompanying nuclear talks, is now scheduled to expire on November 24th 2014, following a four-month extension beyond the original July 20th 2014 deadline.

In accordance with the JPA, Iran has agreed to make a number of temporary tactical alterations to its nuclear programme, including:

- Stocks of enriched uranium
 - o Freeze enrichment of uranium near 20% - a close step from weapons-grade fuel;
 - o Existing stockpiles of 20% enriched uranium (200kg according to the IAEA) to be diluted or converted into oxide so that it is less readily suited for military purposes;
 - o A cap on the permitted size of Iran's stockpile of uranium enriched up to 5% at the end of the originally planned six-month period;
 - o No new uranium at the 3.5% enrichment level will be added to Iran's current stock (enrichment will continue but new uranium enriched to 3.5% will be converted).
- Enrichment capabilities and fuel production
 - o No new centrifuges will be installed or prepared for installation, except in limited cases;
 - o Iran will not use its advanced IR-2 centrifuges for enrichment;
 - o No new enrichment facilities to be opened;
 - o No fuel for Arak reactor to be produced, tested, or transferred to the site.
- IAEA
 - o Monthly inspections at the Arak heavy-water facility;
 - o Iran will address IAEA questions related to 'possible military dimensions' of its nuclear programme and provide data expected as part of an Additional Protocol.²

In addition to continuing to uphold its JPA commitments, Iran has agreed to a number of further terms as part of the extension of talks until November 24th 2014:

- Convert all of its 20% enriched uranium into fuel for the Tehran Research Reactor;
- Dilute its stock of 2% enriched uranium into natural uranium;
- Production of rotors used for advanced centrifuges restricted to the Natanz facility where the IAEA is permitted access;
- Limit production of its advanced centrifuges only for the replacement of damaged machines.³

In return for Iran's compliance with the terms of the JPA, the P5+1 agreed to grant sanctions relief worth approximately \$7 billion (£4.3 billion), of which roughly \$4.2 billion would be oil revenue that had been previously frozen in foreign banks. In July 2014, Iran was awarded an additional \$2.8 billion (£1.6 billion) in unfrozen oil export revenues when talks were extended by four months.

The JPA does not resolve international suspicions, it merely suspends some of the most immediately concerning aspects of Iran's programme, pending a more comprehensive agreement.

There are serious concerns with this interim agreement that must be addressed in any permanent agreement. The JPA grants Iran exactly what it wanted - both a substantial easing of sanctions and preservation of the most significant parts of its nuclear programme, including those with a military aspect.

² <http://www.whitehouse.gov/the-press-office/2014/01/16/summary-technical-understandings-related-implementation-joint-plan-actio/>

³ http://www.ecfr.eu/content/entry/commentary_nuclear_talks_with_iran_no_summer_lull_for_negotiators291

Principal concerns with the JPA include the P5+1's tacit recognition of Iran's right to enrich uranium; Iran's retention of all its centrifuges and nuclear facilities; the ongoing uncertainty whether Iran will be required to dismantle all existing advanced centrifuges; and the omission of Iran's missile programme – a key component of any nuclear programme with military intentions.

Additionally, the JPA can be seen to have fundamentally altered the dynamic of negotiations in Iran's favour. Iran has appeared confident and emboldened in talks with the P5+1 – a likely consequence of benefiting from a timely economic boost from the relaxation of sanctions, and a calculation that military force by the West is not presently a legitimate or imminent threat. The credible threat of force and the extensive international sanctions regime had, until the implementation of the JPA, been a valuable source of leverage over Iran and likely played an important role in forcing Iran to resume diplomatic talks.

These problems, and more, will be addressed in greater detail throughout this Report.

Iran's Uranium Enrichment Programme

The question over the extent of Iran's permitted nuclear infrastructure remains the principal sticking point between interlocutors. The P5+1 are seeking to limit Iran's capacity to enrich uranium. Tehran rejects this idea, claiming it needs to provide fuel for a civilian nuclear programme, as permitted under the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). However, the scope and breadth of Iran's nuclear programme are indicators that it is not for exclusively civilian purposes.

Uranium enrichment is widely seen as Iran's most direct route to making a nuclear weapon. Though enriched uranium can be used to generate nuclear power, which is Iran's stated goal, it can also provide the fissile core of a nuclear warhead if refined to high degree, which many fear may be Tehran's ultimate objective.

a) Recognising Iran's 'Right' to Enrich Uranium

The JPA marks the first time the P5+1 has tacitly recognised Iran's right to enrich uranium: the long-standing concern within the international community and a key Iranian demand. The text of the interim agreement states that the permanent deal will 'involve a mutually defined enrichment program[me] with mutually agreed parameters'.⁴ In accordance with the JPA, Iran is permitted to continue to enrich uranium to 5% fissile purity. The terms of the JPA thereby provide strong indication that the P5+1 has resorted to distancing Iran from a bomb, rather than forcing Iran into the previously required strategic U-turn.

The JPA directly undermines and abandons six UN Security Council resolutions (Resolutions 1696, 1737, 1747, 1803, 1835, and 1929) calling for the immediate suspension of the entirety of Iran's enrichment programme. This marked a fundamental change in the P5+1 original negotiating position.

Prime Minister David Cameron had previously been explicit on this in 2012:

"Let's be clear about the facts. Iran is flouting six United Nations resolutions. The regime's claim that its nuclear programme is intended purely for civilian purposes is not remotely credible".⁵

Iran's leaders have presented the JPA as the P5+1 yielding to Tehran's right to enrich. Iran's President Hassan Rouhani stated: "No matter what interpretations are given, Iran's right to enrichment has been recognised", and, "it means the superpowers' surrender to the great Iranian nation".⁶ Iran's Foreign Minister, Mohammad Javad Zarif said:

"For the first time, six countries have agreed that enrichment is part of the solution".⁷

The JPA's tacit recognition of Iran's right to enrich may undermine confidence in global nonproliferation norms, and risks opening the floodgates for other countries to demand the same right.

b) Iran's Uranium Enrichment Capacity

Iran is not only committed to securing official P5+1 recognition of its right to enrich in a final agreement, but also seeks to guarantee the retention of its existing and future nuclear infrastructure. President Rouhani is reported as telling his country's Atomic Energy Organization in May 2014: "Our nuclear technology is not up for negotiation".⁸ Iran's Foreign Minister Mohammad Javad Zarif said in December 2013:

"The structure of our nuclear programme has been maintained and the 20% enrichment can be resumed in less than 24 hours".⁹

⁴ <http://edition.cnn.com/2013/11/24/world/meast/iran-deal-text/>

⁵ <https://www.gov.uk/government/news/speech-at-annual-dinner-of-united-jewish-israel-appeal>

⁶ <http://www.bbc.co.uk/news/world-middle-east-25074729>

⁷ http://www.memri.org/report/en/print7746.htm#_edn8

⁸ http://www.nytimes.com/2014/05/13/world/middleeast/nuclear-talks-will-confront-irans-future-capability-to-enrich-uranium.html?hp&_r=4

⁹ <http://www.timesofisrael.com/iran-fm-we-can-resume-20-enrichment-within-a-day/>

A large gap exists in negotiating positions. Throughout talks, Iran has insisted on the right to operate tens of thousands of centrifuges to make fuel for what it says is a network of civilian nuclear power stations. The P5+1 are reportedly working to limit Iran's permissible inventory of centrifuges to the low thousands, to better prevent any Iranian 'breakout' for bomb-making capability. While the P5+1 powers are broadly in agreement, France is understood to be demanding that Iran reduce its enrichment capability to a few hundred centrifuges.¹⁰

Iran currently has 19,000 centrifuges installed, including approximately 8,000 that are not yet running.¹¹ Tehran is understood to be demanding the right to install a further 50,000-100,000 functioning centrifuges in the coming years, or substitute first generation IR-1 centrifuges with newer IR-2m models that are four times more efficient.¹² Iran is currently known to have installed 1,008 of these IR-2m models, although they are not in operation.

In July 2014, Iran's Supreme Leader Ayatollah Ali Khamenei, who has the final word on all matters of state, said that Iran has an 'absolute need' for as many as 190,000 nuclear centrifuges, ten times the number of centrifuges that it already possesses.¹³ In May 2014, an unnamed senior Iranian official was quoted as stating that Iran requires "*at least 100,000 IR-1 centrifuges to produce enough fuel for each of our (civilian) nuclear (power) plants*".¹⁴ The installation of such a large number of centrifuges would directly undermine efforts by the P5+1 to limit Iran's 'breakout' capability.

Iran's ostensible civilian nuclear programme has no need for such large levels of enriched uranium, and its proposal should be rejected accordingly.

Iran's uranium enrichment programme is concentrated at two facilities; Natanz and Fordow. The Natanz Fuel Enrichment Plant is Iran's primary enrichment centre. The facility, built 8 metres underground and protected by reinforced concrete, is reportedly capable of operating as many as 50,000 centrifuges in cascades. It was first publicly identified by the National Council of Resistance of Iran in August 2002.¹⁵ In accordance with the JPA, 50% of centrifuges at the facility are to be left temporarily inoperable.

The large, heavily fortified Fordow Fuel Enrichment Plant was clandestinely constructed beneath a mountain in an apparent effort to make it impervious to aerial attack. Iran confirmed the existence of the facility in September 2009 only after it had become known to Western intelligence services.¹⁶ Prior to the JPA, Fordow was the site for Iran's efforts to produce Highly Enriched Uranium (20% fissile purity) – far exceeding the 5% enrichment Iran initially advised the IAEA would occur there. In accordance with the JPA, 75% of centrifuges at the facility are to be left temporarily inoperable. Iran is reportedly offering to turn Fordow into a small R&D site, moving the centrifuges from there to be stored at Natanz.

c) Problems with the Joint Plan of Action

While the JPA has brought about some setbacks for Iran's nuclear programme, namely the neutralisation of its stockpile of 20% enriched uranium, other areas of its programme have continued to advance. Most strikingly, the country's enrichment of uranium to 3.5% was reportedly at its highest ever level of production in February 2014.¹⁷ This record production, permitted under the terms of the JPA, has been partly facilitated by switching operational centrifuges (IR-1) previously enriching to 20% over to 3.5% enrichment; many of which are improved models upon those previously enriching to 3.5%.

Installation of improved centrifuges and the ability to replace damaged or broken components means that Iran retains the capability - while difficult and time consuming - to effectively offset the loss of its 20% enriched uranium stockpile.

¹⁰ <http://www.reuters.com/article/2014/06/10/us-iran-nuclear-france-idUSKBN0EL0S120140610>

¹¹ http://isis-online.org/uploads/isis-reports/documents/Testimony_Albright_senate_foreign_relations_committee_oct_2_2013.pdf

¹² <http://www.reuters.com/article/2014/05/15/us-iran-nuclear-idUSBREA4E0GI20140515>

¹³ <http://www.bbc.co.uk/news/world-middle-east-28208175>

¹⁴ <http://www.reuters.com/article/2014/05/15/us-iran-nuclear-idUSBREA4E0GI20140515>

¹⁵ <http://www.isisnucleariran.org/sites/detail/natanz/>

¹⁶ <http://www.iaea.org/Publications/Documents/Board/2009/gov2009-74.pdf>

¹⁷ <http://bipartisanpolicy.org/blog/foreignpolicy/2014/02/24/update-iran%E2%80%99s-nuclear-program>

Iran's development of advanced centrifuges continues apace. In February 2014, Iran revealed that it had developed a new generation of centrifuges 15 times more powerful than those currently in use.¹⁸ Ali Akbar Salehi, Head of the Atomic Energy Organization of Iran, stated that the centrifuges did not violate the JPA:

"We successfully argued that this was allowed within the research and development article in the agreement".¹⁹

Additional concern has been voiced over the 'reversible' nature of Iran's dilution of its 20% enriched uranium to 5%, in accordance with the JPA. Given Tehran's continued development of advanced centrifuges – as permitted under the interim agreement – Iran retains the capacity to turn the diluted uranium back to 20% and levels in excess of the 90% required for nuclear weapons, much faster.

Dr. Emily B. Landau, the head of the Arms Control and Regional Security Program at the Institute for National Security Studies (INSS) notes:

"It neutralises the importance of limiting enrichment to 20%. The Iranians are not allowed to use these advanced centrifuges, and they are indeed not using them, but they're allowed to conduct experiments. As long as they keep working on them, their nuclear programme hasn't been stopped".²⁰

Behrouz Kamalvandi, spokesman for the Atomic Energy Organization of Iran (AEOI), declared that oxidising portions of Iran's 5% stockpile does not prevent Iran from *"transform[ing] our 5% uranium to 20% within two to three weeks if needed".²¹*

In view of the above, there are legitimate concerns that the P5+1 are too focused on delaying Iran's nuclear programme by as little as a few months or a year, in an effort to 'distance' Iran from a bomb. Under this strategy, any permanent nuclear deal would officially recognise Iran's right to enrichment and Iran would be permitted to retain key enrichment infrastructure.

Crucially, this represents the abandonment of negotiating principles previously regarded as sacrosanct – most notably the insistence, enshrined in successive UN Security Council resolutions, that Iran immediately end all enrichment activities. Under this strategy, Iran would remain a nuclear-threshold state capable of suddenly reconfiguring and repurposing its enrichment infrastructure to enrich uranium to purity levels required for weaponisation, at a time of its choosing.

Rather than temporarily delaying Iran's existing nuclear weapons-making potential, the P5+1 should ideally be focused on forcing Iran into making a clear strategic U-turn – removing any vestiges of Iran's capacity to pursue a domestic nuclear programme. Iran's record of procrastination, deception, and subterfuge has engendered a complete lack of trust in Iran's nuclear intentions from the international community. It is for this reason that Israel has officially called for the complete dismantling of Iran's nuclear programme: a position that is backed by six UN Security Council resolutions.

If, as appears likely, a permanent agreement will permit Iran to retain enrichment capabilities, the P5+1 must make a concerted effort to severely limit this nuclear capacity. As a bare minimum, the P5+1 should insist that Iran dismantle most of its centrifuges and retain only a defined and limited number of non-advanced centrifuges. In order to provide the longest possible 'breakout' time, Iran should be permitted, at most, no more than a couple of thousand older IR-1 centrifuges.

Iran should only be permitted to enrich uranium to strictly low-levels - not exceeding levels for a legitimate peaceful civilian nuclear programme (3.5%). Additionally, any uranium stockpiles must be restricted to a low-level - less than the amount required for one bomb. Current estimates indicate that Iran's stockpile of low-enriched uranium (9,000 kg of 3.5% fissile purity), as permitted under the terms of the JPA, is sufficient for at least six bombs, once enriched to higher levels.²²

The P5+1 cannot afford to make concessions in this area. The P5+1 must ensure Iran's 'breakout' time is measured in number of years and not number of months. The international community must ensure it possesses the longest possible period of time to allow it to detect any attempt by Iran to 'breakout' for nuclear weapons, decide on response, and act before Iran acquires one. If this is not possible, it calls into question the wisdom of permitting Iran to retain enrichment capabilities.

¹⁸ <http://www.naharnet.com/stories/en/118038>

¹⁹ <http://www.naharnet.com/stories/en/118038>

²⁰ <http://www.ynetnews.com/articles/0,7340,L-4525407,00.html>

²¹ <http://www.thetower.org/0195oc-iran-nuke-official-concessions-can-be-reversed-in-2-or-3-weeks/>

²² <http://www.economist.com/blogs/newsbook/2013/11/curbing-irans-nuclear-programme>

Iran's Plutonium Production Programme

Iran's plutonium programme has been a major point of contention in nuclear talks. Plutonium is one of two substances that can form the core of a nuclear weapon – the other being uranium. The programme poses a further proliferation danger for the P5+1 to contend with.

Iran is constructing a heavy-water research reactor at Arak, southwest of Tehran, due to go online later this year. Once operational, the Arak facility would be capable of producing plutonium if the spent uranium fuel is reprocessed; a serious proliferation risk. Should the facility go online, Iran would have an alternative path to a nuclear bomb. Iran's pursuit of both uranium enrichment and plutonium production creates the impression that it is interested in maintaining the option of making a bomb.

Iran has dismissed IAEA and P5+1 concerns about the Arak facility. Ali Akbar Salehi, the head of the Atomic Energy Organization of Iran, claims that the Arak reactor is intended for radioisotope production and testing of nuclear fuel and materials.²³ In an interview with Iran's Press TV, Mr Salehi stated that, "*we [Iran] see no point stopping the work on this reactor*".²⁴

IAEA inspectors have not been permitted access to the facility since the Agency's visit in August 2011, despite repeat requests.²⁵ The IAEA has resorted to using satellite images to assess developments at the site; all of which indicate the plant is in operation. This has justifiably heightened concern about the facility.

The JPA has temporarily halted construction at Arak and prevents Iran from commissioning the site and constructing a reprocessing facility – required to purify plutonium for military use. While installation of new components is not permitted, the JPA does not prevent Iran from developing and producing component parts off-site, which can be installed at a later date. Nonetheless, these are important interim commitments.

Iran has ruled out converting Arak into a light-water reactor, a model less amenable to producing bomb material. Iran is reportedly prepared to redesign the facility and reduce the amount of plutonium produced from 10 kilogrammes (22 pounds) to 1 kilogramme (2.2 pounds).²⁶

While Iran's preparedness to negotiate in this area is to be welcomed, the offered technical changes fall short. Such technical changes are reversible in case of an Iranian decision to violate the agreement. Equally, there is little to prevent Iran gradually accruing sufficient amounts of plutonium for a nuclear device over many years even when produced at very low levels.

If a final nuclear agreement will not require Iran to dismantle the whole facility - the surest way of guaranteeing Iran will not resume plutonium production - then the P5+1 must ensure Iran accepts a model that cannot be reverse-engineered. To do this, Iran must be required to re-engineer the Arak reactor so that it would not be able to produce fissile material for a bomb.

IAEA inspectors must also be granted immediate and on-going access to the site – strict verification measures will be necessary to ensure Iran adheres to the terms of any nuclear agreement. Verification is of fundamental importance because the moment the completed Arak facility is commissioned, it would be immune to attack due to the risks of nuclear fallout.

²³ <http://www.presstv.ir/detail/2014/02/05/349340/false-allegations-wont-stop-arak-reactor/>

²⁴ <http://www.presstv.ir/detail/2014/02/05/349340/false-allegations-wont-stop-arak-reactor/>

²⁵ http://isis-online.org/uploads/isis-reports/documents/IAEA_Iran_Safeguards_report_-_22May2013.pdf

²⁶ http://www.washingtonpost.com/world/middle_east/iran-scales-down-plutonium-production-plans/2014/06/12/bd52ccd4-f20d-11e3-ac78-e9f2d8cccd1_story.html

Verification of Iran's Nuclear Programme

A comprehensive agreement must not simply focus on limiting the numbers and types of centrifuges that Iran would be permitted to operate, or the quantities and qualities of enriched uranium.

A permanent deal requires a robust and unprecedented system of inspection of Iran's future and past nuclear activities to verify that it adheres to the terms of any agreement and does not attempt to 'breakout'. The need for strict verification mechanisms is a product of Iran's nuclear programme having a history of being clandestine in character – this warrants higher levels of accountability. The verification of Iran's nuclear related activities, and the apparatus to enforce it, will determine the lasting success of any permanent nuclear agreement.

Verification will be overseen, in the first instance, by the UN's nuclear agency, the International Atomic Energy Agency. The IAEA is empowered to determine both the accuracy and completeness of a state's nuclear declaration.

Iran, for its part, has indicated that transparency – rather than the reduction of enrichment capabilities – is its preferred way to assure the international community that its nuclear programme is peaceful. President Rouhani advocated this in May when he said: *"What we can offer the world is greater transparency"*.²⁷

Given its history of clandestine nuclear activities, Iran cannot expect to be treated as a 'normal' non-nuclear weapons state. The international community has legitimate concerns over Iran's nuclear activities and nuclear intentions, and this was the primary driver behind the decision to impose unprecedented sanctions against the regime.

Iran has reportedly offered to ratify the Additional Protocol to the Non-Proliferation Treaty (NPT), which would allow for greater levels of inspections and monitoring. This gesture would be insufficient, not least because of Iran's recent history of agreeing to ratify and implement the Additional Protocol before withdrawing at short notice. This raises questions about how ready Tehran really is to accept more invasive inspections. A permanent agreement must require Iran to allow, and grant protection for, highly intrusive and stringent inspections for a pre-determined period. These inspections should be imposed by the P5+1 and must not be on a consensual basis. Iran must agree to accept expansive inspections and monitoring for an extended period.

Verification is a notoriously imperfect process. One of the major obstacles to an effective verification process is getting all parties to agree to the specifics of any given inspection regime. In this instance, the P5+1 nations must work closely to place strict and clearly defined diameters as to what will constitute a violation of the measures of any final agreement. It is important that all parties are clear on this at the time of signing an agreement, since determining what constitutes a breach on an ad hoc basis will lead to disagreements, with countries inclined to adopt differing interpretations of the terms.

a) IAEA Inspections

A sophisticated control and monitoring system is required to spot any prohibited breakthrough in Iran's nuclear programme. Existing IAEA safeguards are insufficient to verify whether Iran has undeclared nuclear-related activities, including those with 'possible military dimensions'. Without complete access to Iran's full portfolio of declared and undeclared nuclear-related facilities, no amount of monitoring and inspection can provide the international community with true confidence that Iran lacks a parallel, clandestine programme.

IAEA inspectors must be granted continuous and unfettered access to every one of Iran's nuclear sites, without any exception. At these sites, inspectors must be permitted to look anywhere they require, speak to anyone they wish, and Iran must be obligated to respond in a timely way to every enquiry made and every irregularity detected. It is not possible to rule out the existence of secret nuclear sites in Iran without it agreeing to let the IAEA conduct snap inspections anywhere beyond declared nuclear installations under the agency's Additional Protocol regime.

²⁷ <http://in.reuters.com/article/2014/05/11/iran-nuclear-idINL6NONX05620140511>

In addition to nuclear facilities, the IAEA must be granted unfettered access to Iran's officials and engineers, engaged at all levels of its nuclear programme – both civilian and military sides. Currently, the IAEA is reportedly denied permission to speak with a list of around 100 known and named Iranian engineers.²⁸ Specifically, Iran continues to deny access to Mohsen Fakhrizadeh – widely regarded as the father of Iran's nuclear programme.²⁹ Understanding the role of Mohsen Fakhrizadeh is critical to gaining real understanding of the full range of Iran's activities that would need to be verified under any permanent agreement. In February 2013 the Sunday Times reported that Mohsen Fakhrizadeh had been present for North Korea's third nuclear detonation, prompting speculation that Iran was using North Korea as a backdoor plan for their own nuclear programme, in an effort to bypass IAEA inspections.³⁰

Despite the integral role of Mohsen Fakhrizadeh in Iran's nuclear programme, the IAEA has "not yet made a specific request" to see him, according to the head of the International Atomic Energy Agency, Yukiya Amano.³¹ Mr Amano has given reason to believe that the IAEA is not currently requiring Iran to provide a full accounting of its nuclear activities:

"We would like to have access to the sites, the documents and the people – including him".³²

b) Iran's Undeclared Nuclear Facilities

While the IAEA has been able to verify the non-diversion of declared nuclear material in Iran, it remains unable to verify the absence of undeclared nuclear activities.

Iran's failure to adhere to existing safeguards mechanisms must be addressed as a matter of priority. Their current safeguards obligations are set out in its Safeguards Agreement – ratified by the Iranian Parliament in 1974. Code 3.1 of the accompanying Subsidiary Arrangements to the Safeguards Agreement stipulated that Iran - like any other country - must inform the IAEA about a new nuclear facility six months before nuclear material was due to be delivered for the first time. This was subsequently amended in the 1990's to require the signatory to report a new facility as soon as the decision to build it had been taken.

In 2007, Iran unilaterally suspended the implementation of the modified Code 3.1 and reverted back to the original form – a move never accepted by the IAEA.³³

The IAEA's February 2014 report on Iran's nuclear programme explicitly details that Iran's suspension of the modified Code 3.1 is not permitted:

"In accordance with Article 39 of Iran's Safeguards Agreement, agreed Subsidiary Arrangements cannot be changed unilaterally; nor is there a mechanism in the Safeguards Agreement for the suspension of provisions agreed to in the Subsidiary Arrangements".³⁴

Iran was therefore in violation of Code 3.1 of the Subsidiary Arrangements when it failed to report planned construction of the Fordow Fuel Enrichment Plant – discovered by Western intelligence services in 2009.

Until Iran is obligated to fully comply with the modified Code 3.1, it will enable Iran to clandestinely construct nuclear facilities and operate a parallel covert nuclear programme. Iran must be required to adhere to the modified Code 3.1 indefinitely as both a show of its good intentions, and in order to prevent a clandestine advancement of its nuclear programme.

The urgency of this is illustrated by Iranian announcements in recent years that it is building four new research reactors, ten new enrichment plants and sixteen new nuclear power stations. In violation of Code 3.1, Iran has neither disclosed information about where these facilities will be located, nor any design plans. If Iran was implementing the modified Code 3.1, there would be no uncertainty over this issue as Iran would have been obligated to submit all required information as soon as the decision to build the research reactors was made. A permanent agreement could be rendered useless if Iran retains the capability to secretly construct nuclear facilities.

²⁸ <http://online.wsj.com/news/articles/SB10001424052702303908804579564250438015122>

²⁹ <http://www.nytimes.com/2014/06/25/world/middleeast/top-scientist-from-iran-hinders-talks-with-absence.html>

³⁰ http://www.thesundaytimes.co.uk/sto/news/world_news/Middle_East/article1215608.ece

³¹ <http://www.nytimes.com/2014/06/25/world/middleeast/top-scientist-from-iran-hinders-talks-with-absence.html>

³² <http://www.nytimes.com/2014/06/25/world/middleeast/top-scientist-from-iran-hinders-talks-with-absence.html>

³³ <http://carnegieendowment.org/2009/09/25/iran-violated-international-obligations-on-qom-facility/3cvt>

³⁴ <http://www.iaea.org/Publications/Documents/Board/2014/gov2014-10.pdf>

c) Iran's Acquisition of Illicit Components and Materials

The verification process must also include concerted efforts to ensure Iran is not circumventing international restrictions and acquiring illicit and sensitive components and materials.

Inspectors must be alert to Iran's methods of evading technical sanctions, and any attempt to do so must be immediately acted upon. The UN Panel of Experts, which monitors compliance with the Security Council's sanctions regime on Iran, reported in May 2014 that Iran had been found using its legitimate petrochemical industry activities as a cover to procure thousands of valves that could be used for the Arak heavy-water facility; a clear violation of UN sanctions.³⁵ Iran's exploitation of its legitimate petrochemical industry as cover for the procurement of illicit materials will complicate verification efforts.

Other recently identified instances of deliberate evasion by Iran include the concealment of titanium tubes inside stainless steel pipes manufactured in and shipped from China.³⁶

The P5+1 and nuclear inspectors must exercise greater vigilance over Iran's use of freight-forwarding firms, which are reportedly used by Iran to obfuscate the final destination of various materials intended for use in its nuclear programme. Under this practice, freight-forwarding firms are regularly recorded as the ordering party on shipping documentation of items destined for Iran in the place of consignors or consignees, thereby ensuring the final destination or use is concealed. In May 2014, the UN Panel of Experts pinpointed for criticism Iran's use of the practice in its annual report and recommended that it needed to be scrutinised more closely.³⁷

Iran has also been found to falsely flag maritime vessels in an effort to intentionally conceal their true identity. Under this practice, flags from other nations, including Tanzania and Tuvalu, have been illegally affixed to vessels registered to Iran.³⁸ Iran has a track record of doing this to transfer arms shipments to terror groups around the world. In March 2014, the Klos-C vessel, a Panamanian-flagged vessel, was intercepted transporting Iranian-supplied advanced M-302 rockets.³⁹ Previously, in March 2011, a German-owned cargo ship flying a Liberian flag was found carrying 50 tonnes of Iranian-made weaponry destined for Hamas in Gaza.⁴⁰

The full verification and monitoring of Iran's nuclear activities will require a level of cooperation and information sharing between the IAEA, the P5+1, and Iran which is all but unprecedented where one country's nuclear programme is concerned.

Iranian threats that P5+1 talk of imposing a comprehensive inspection regime would risk confrontation and jeopardise a permanent nuclear agreement is likely a negotiation tactic. The P5+1 negotiators must not balk, otherwise the very validity and effectiveness of a permanent deal would forever be called into question.

³⁵ <http://mobile.reuters.com/article/idUSBREA4B0BG20140512?irpc=932>

³⁶ <http://mobile.reuters.com/article/idUSBREA4B0BG20140512?irpc=932>

³⁷ <http://mobile.reuters.com/article/idUSBREA4B0BG20140512?irpc=932>

³⁸ <http://www.ft.com/cms/s/0/386c28e0-eb97-11e1-9356-00144feab49a.html#axzz36mWOOteP>

³⁹ <http://www.bbc.co.uk/news/world-middle-east-26451421>

⁴⁰ http://www.mfa.gov.il/mfa/foreignpolicy/terrorism/palestinian/pages/israel_navy_uncovers_weaponry_cargo_vessel_15-mar-2011.aspx

Length of Permanent Agreement

The duration of any permanent deal is equally important. The P5+1 must seek an enduring deal to last a considerable length of time, perhaps as long as 30-50 years, to ensure a substantive change in Iran's strategic conduct.

Reports indicate that Iran is pushing for the so-called 'sunset clause' to last only five years as an absolute maximum, after which it would expect to be treated as a normal NPT signatory.⁴¹ Crucially, only by adhering to strict limits on its nuclear programme for an extended period of time can Iran build international confidence in its nuclear activities. The P5+1 negotiators must ensure Iran accepts the longest possible period of duration.

Abbas Araqchi, Iran's Deputy Foreign Minister, said in July 2014 that if Iran accepts limits on its nuclear activities, *"it will only be for a specific time frame, and temporary"*.⁴² He added: *"None of our commitments are for eternity, and they will not be permanent"*.⁴³

Reports that the P5+1 and Iran may settle on a duration as short as 10 years will do little to relieve suspicions over Iran's long-term nuclear ambitions, and would amount to little more than a temporary reprieve of one of the world's most significant security threats. Iran must earn the right to be treated as a 'normal' non-nuclear weapons state under the NPT through the tangible display of peaceful nuclear intentions for the duration of any long-term agreement. Iran cannot expect to be treated as a 'normal' nuclear state the day after a comprehensive deal is signed – the international community must ensure Iran takes concrete steps over many years to end all concerns over its nuclear activities and intentions.

There are real concerns that there is no way to guarantee real-time identification of any Iranian attempt to cheat, let alone ensure the detection of an Iranian 'breakout' move to produce a nuclear weapon. International inspection mechanisms are imperfect and have already failed in the past to discover in a timely manner the efforts made by Iraq, Libya, North Korea, Syria and Iran to secretly develop military nuclear programmes. Furthermore, these monitoring systems can abruptly cease to exist in event of a unilateral Iranian decision – as seen with the case of North Korea.

The North Korea case study teaches us that internationally celebrated nuclear talks and agreements do not necessarily prevent nuclear 'breakout'. North Korea, a close security partner of Iran, has engaged in a series of negotiations with world powers over its nuclear programme. With hindsight, North Korea can be seen to have used these periods to buy time on their way to obtaining a nuclear weapon, including during the Agreed Framework period (1994-2002). The Framework suddenly came to an end when North Korea removed the seals from the Yongbyon reactor's spent fuel rods, expelled international inspectors, and withdrew from the Non-Proliferation Treaty. Four years later in 2006, North Korea conducted its first nuclear test, followed by further tests in 2009 and 2013. With this in mind, lingering concerns over an Iranian nuclear 'breakout' are not exaggerated.

⁴¹ <http://www.reuters.com/article/2014/06/20/us-iran-nuclear-chinese-idUSKBN0EV1AX20140620>

⁴² <http://www.latimes.com/world/la-fg-sunset-clause-iran-talks-20140704-story.html>

⁴³ <http://www.latimes.com/world/la-fg-sunset-clause-iran-talks-20140704-story.html>

Possible Military Dimensions (PMD)

Iran continues to fall far short of addressing persistent concerns over so-called 'possible military dimensions' (PMD) to its nuclear programme. PMD's cover a range of activities - from the military's involvement in producing nuclear material, to work on potential nuclear munitions.

The PMD issue has for years been a core concern in the international community's approach to Iran. The issue is now a central component of Iran's discussions with the P5+1 and, separately the IAEA, and is critical to establishing a robust verification regime in the context of any permanent nuclear agreement.

Iran has repeatedly failed to address concerns in this area; resisting demands that it places its military facilities under inspections. Throughout talks with the P5+1, Iranian officials have stressed that they will only discuss nuclear issues and not its military programme, regardless of international suspicions. In February 2014, Iran's Foreign Minister, Mohammad Javad Zarif stated:

"As Iran's nuclear programme has nothing to do with the military issues, the military issues have nothing to do with the nuclear programme either".⁴⁴

In fact, Iran is widely suspected to have undertaken research and tests on a number of PMD-related issues, including detonator development and computer modelling.

a) Iran's Failure to Cooperate with the IAEA

The IAEA has for years sought to increase Iran's transparency around these activities. Suspicions that activity with 'possible military dimensions' took place at least as far back as 2003 must be allayed. Almost a decade later in November 2011, the IAEA reported that it was:

"...Increasingly concerned about the possible existence in Iran of undisclosed nuclear related activities involving military related organisations, including activities related to the development of a nuclear payload for a missile".⁴⁵

The IAEA's concern over Iran's nuclear activities has prompted it to conduct negotiations with Iran in parallel to Iran's negotiations with the P5+1. Iran dismisses IAEA concerns about weaponisation work as "*fabrications*".⁴⁶

Given the severity of these allegations, Iran must be obligated to provide a full accounting of PMD activities. Iran has to make tough decisions to assure the world that its nuclear programme is for exclusively peaceful purposes, and that it will not obtain a nuclear weapon. Knowledge of Iran's previous PMD activity is vital to ensure the international community is best placed to detect a future Iranian attempt to dash across the nuclear finish line.

Michael Singh, Managing Director at the Washington Institute for Near East Policy, concluded in November 2013 that:

"[W]ithout insight into the full extent of Iran's clandestine nuclear activities, no amount of monitoring and inspection can provide true confidence that Iran lacks a parallel programme beyond inspectors' view".⁴⁷

As such, any final nuclear agreement must include explicit commitments from Iran to address the IAEA's legitimate concerns about past and possible on-going military dimensions of its nuclear programme. The IAEA has repeatedly expressed concerns about Iran's failure to adequately respond and cooperate with its investigation into possible violations of the NPT and its Safeguards Agreement as pertaining to weaponisation.

⁴⁴ <http://www.theguardian.com/world/2014/feb/18/mohammad-javad-zarif-iran-political-will-final-nuclear-agreement>

⁴⁵ <http://www.iaea.org/Publications/Documents/Board/2011/gov2011-65.pdf>

⁴⁶ http://www.washingtonpost.com/world/middle_east/irans-signs-agreement-with-iaea-to-allow-broader-inspections-of-nuclear-sites/2013/11/11/fef81002-4ad5-11e3-ac54-aa84301ced81_story.html

⁴⁷ http://www.washingtonpost.com/opinions/answers-to-key-questions-will-determine-iran-deals-success/2013/11/25/5c932544-55e4-11e3-ba82-16ed03681809_story.html

For example, Iran has failed to address persistent allegations that it had previously worked on components for nuclear arms, including detonators. Iran is widely suspected as having tested high-precision Explosive Wire Detonators designed to initiate the chain reaction for a nuclear-implosion device. Iran's work on detonators is of particular concern given the limited civilian and conventional military applications for such technology. The IAEA has sought a response from Iran about these detonators for six years without success.⁴⁸ Other areas of concern for the IAEA include Iranian studies into neutron transport and their alleged application to compressed materials, originally highlighted in a 2011 IAEA report.⁴⁹ Iran must be compelled to cooperate fully with the IAEA's probe into these and other areas of concern, and provide detailed and conclusive explanations to the UN agency as part of any final agreement.

b) Parchin

To facilitate the necessary exhaustive investigation of all PMD, IAEA inspectors must be immediately granted unfettered access to Iran's full portfolio of declared and undeclared nuclear-related sites, including its Parchin military site.

The IAEA has long suspected Iran of conducting tests related to the development of nuclear weapons at Parchin, including nuclear triggers and high explosives. In 2011, the IAEA reported that "*such experiments would be strong indicators of possible nuclear weapon development*".⁵⁰

Suspicious over Iran's weaponisation activities at Parchin have been further heightened in recent years with satellite imagery indicating that Iran has undertaken a large-scale clean-up operation in the area; possible evidence of the removal of hazardous nuclear materials.⁵¹ Nuclear experts cite the removal of soil since early 2012 and subsequent asphaltting of the specific place the IAEA wants to inspect, as evidence of Iran's efforts to hide potentially incriminating evidence of illicit nuclear-related experiments at Parchin.⁵²

Tehran's repeated rejection of IAEA requests to grant inspectors access to the facility is unacceptable. Iran insists that it is not obligated to grant IAEA inspectors access to Parchin as it is designated as a domestic military site for the research, development and production of ammunition, rockets and high explosives.⁵³ In fact, the White House Fact Sheet on the P5+1 talks with Iran, dated November 23rd 2013, specifically identified Parchin as one of the questions that Iran would have to address in a comprehensive agreement.⁵⁴ Despite this, Iranian officials state that they will only allow minimal and managed access to the site if and when it accedes to the Additional Protocol.⁵⁵ Iran is likely to only do this if a permanent deal is agreed, and not beforehand.

The denial of access to this site calls into question Iran's claim to be entering nuclear talks in good faith, and its overall preparedness to make its nuclear programme more transparent. Problematically, the JPA does not explicitly require Iran to address IAEA concerns in this area, thereby complicating and limiting inspectors' understanding of Iran's progress toward nuclear weapons capability.

Simply put, a deal that fails to include Parchin would undermine the verifiability and credibility of the entire deal.

c) Importance of Iran's Accountability over 'Possible Military Dimensions'

The P5+1 must make PMD issues a central component of any permanent deal. Iran must agree to complete transparency, and a full historical accounting of its nuclear programme before any accord is signed. Establishing the full scope of Iran's nuclear programme is a vital prerequisite to verifying that the Iranians have halted their clandestine activities per any agreement, understanding the extent of its weaponisation activities, and Iran's future timeline to a nuclear weapon.

⁴⁸ <http://english.alarabiya.net/en/News/middle-east/2014/05/23/Iran-addresses-nuclear-bomb-allegations-for-first-time-IAEA.html>

⁴⁹ <http://www.reuters.com/article/2014/05/21/us-iran-nuclear-iaea-idUSBREA4K0P320140521>

⁵⁰ <http://uk.reuters.com/article/2014/05/26/uk-iran-nuclear-iaea-idUKKBN0E60ZZ20140526>

⁵¹ <http://isis-online.org/isis-reports/detail/parchin/8>

⁵² <http://uk.reuters.com/article/2014/05/26/uk-iran-nuclear-iaea-idUKKBN0E60ZZ20140526>

⁵³ <http://www.timesofisrael.com/iran-denies-inspectors-access-to-parchin-nuclear-facility/>

⁵⁴ <http://www.whitehouse.gov/the-press-office/2013/11/23/fact-sheet-first-step-understandings-regarding-islamic-republic-iran-s-n>

⁵⁵ <http://english.farsnews.com/newstext.aspx?nn=13930213000549>

It is deeply troubling that the head of the International Atomic Energy Agency, Yukiya Amano, said recently that Iran would not be expected to provide such a complete historical accounting:

*"It is not possible to find out everything... Some documents have disappeared... Some people have already died. In some cases, Iran does not give us access".*⁵⁶

In the absence of complete accountability, the detection of any military dimensions to Iran's nuclear programme would become the responsibility of intelligence services – which have already failed to detect several clandestine Iranian nuclear facilities in recent years.

Tehran has sought to delay negotiations over PMDs until the very end of negotiations. There are justifiable concerns that if PMD issues are pushed to the bottom of the agenda and discussed only at the end of negotiations, as appears, Iranian negotiators will then refuse to compromise and force the P5+1 into a position where a final agreement could be scuppered. Were the P5+1 manoeuvred into this position it could well be a fatal blow to a nuclear agreement. However uncomfortable it is for Iran to come clean on these matters, they must do so before it can finally be considered a 'normal' non-nuclear weapons state under the NPT.

⁵⁶ <http://www.nytimes.com/2014/06/25/world/middleeast/top-scientist-from-iran-hinders-talks-with-absence.html>

Iran's Ballistic Missile Programme

The absence of any mention of Iran's ballistic missile programme was a glaring omission in the interim JPA. Despite Iran possessing perhaps the largest and most sophisticated ballistic missile arsenal in the Middle East, its missile R&D programme is not subject to the same level of transparency that Iran's nuclear activities are under IAEA safeguards. Iran's negotiators will reportedly not countenance discussing the ballistic missile issue in nuclear talks.

A nuclear weapons programme has three main components: the fuel, the warhead, and the delivery mechanism. With Iran's ballistic missile programme continuing unobstructed, it brings the country ever closer to possessing the delivery mechanism for any future domestically produced nuclear warhead. The development of domestically produced medium- to long-range ballistic missiles means Iran has already overcome one of the main hurdles in any nuclear military programme.

It is concerning that Tehran's development of nuclear weapons delivery systems has perceptibly been relegated to the sidelines during talks with the P5+1. UNSC Resolution 1929 explicitly prohibits Iran from undertaking any activity related to ballistic missiles, and requires states to take necessary measures to prevent technology relevant to ballistic missiles from reaching Iran.⁵⁷

Given the inherent connection between nuclear weapons and their delivery systems, Iran's missile programme must not be decoupled from nuclear talks. In view of the strategic threat posed by a nuclear-armed Iran, the international community can ill-afford for the issue to be taken off the negotiating slate with the hope of it being addressed at an unspecified future time.

As a key final-stage component of the weaponisation process, any final and comprehensive agreement must deal with Iran's extensive missile R&D programme. Preventing weaponisation and limiting the number and range of ballistic missiles will serve as a valuable barrier in ensuring that Iran does not end up achieving nuclear weapons capability.

a) International Concern over Iran's Ballistic Missile Programme

Iran's ballistic missile programme has clear nuclear military dimensions. Iran is already known to possess an arsenal of Shahab-3 medium-range ballistic missiles (MRBM), with an operational range of 800-1,200 miles.⁵⁸ Iran has successfully tested the missile on a number of occasions. These missiles share strong design similarities with North Korea's Nodong missile, reflecting the close cooperation between the two states. Other MRBM in Iran's arsenal include the Fajr-3, with an estimated operational range of 1,250 miles. In February 2014, during nuclear talks, Iran defiantly test-fired two new domestically made missiles, including the Barani, a long-range ballistic missile with radar-evading capabilities, and a fragmentation warhead capable of delivering multiple warheads in a pattern against a single target.⁵⁹

Iran's ballistic missiles pose a major threat to the Middle East and beyond. Prime Minister David Cameron has previously expressed concern about Iran's intercontinental ballistic missile (ICBM) programme to the House of Commons Liaison Committee in March 2012:

"[Iran] is a danger more broadly, not least because there are signs that the Iranians want to have some sort of inter-continental missile capability... We have to be clear this is a threat potentially much wider than just Israel and the region".⁶⁰

US Director of National Intelligence James Clapper told the Senate Armed Services Committee in February 2014 that Iran was expected to test "a missile system that could potentially have ICBM-class range".⁶¹

Concern over Iran's ballistic missile capabilities is longstanding. UN Security Council Resolution 1929 already requires Iran to immediately cease activity related to ballistic missiles, including those capable of delivering nuclear weapons. The resolution explicitly stipulates that Iran "shall not undertake any activity related to ballistic missiles capable of delivering nuclear weapons".⁶² Despite this legally-binding resolution, Iran continues to openly develop, test and manufacture ballistic missiles that could potentially deliver nuclear warheads.

⁵⁷ <http://www.un.org/News/Press/docs/2010/sc9948.doc.htm>

⁵⁸ <http://www.janes.com/article/33895/iran-announces-new-missile-tests>

⁵⁹ <http://uk.reuters.com/article/2014/05/16/uk-iran-nuclear-missiles-idUKKBN0DV21X20140516>

⁶⁰ <http://www.theguardian.com/world/2012/mar/06/iran-building-nuclear-weapon-david-cameron>

⁶¹ <http://www.janes.com/article/33895/iran-announces-new-missile-tests>

⁶² [http://www.un.org/ga/search/view_doc.asp?symbol=S/RES/1929\(2010\)](http://www.un.org/ga/search/view_doc.asp?symbol=S/RES/1929(2010))

In May 2014, the UN Panel of Experts reported that “Iran is continuing development of its ballistic missile and space programmes”.⁶³ The report highlighted a new missile launch site 25 miles from the city of Shahrud and noted that a larger launch complex for ballistic missiles is assessed to be close to completion at the Imam Khomeini Space Center at Semnan. The report stated:

*“The programme is opaque and not subject to the same level of transparency that Iran’s nuclear activities are under IAEA safeguards”.*⁶⁴

Iran was also found to be actively seeking materials and components for guidance systems, and fuels for ballistic missiles.

Iran’s leaders have repeatedly rebuffed calls to include its missile capability in nuclear discussions. In May 2014, Iran’s Supreme Leader Ayatollah Khamenei said efforts to limit the Islamic Republic’s missile programme were “stupid and idiotic”.⁶⁵ Ayatollah Khamenei called on Iran’s Revolutionary Guards to “carry out their programme”, and encouraged them to “mass-produce” the missiles.⁶⁶ Iran’s Defence Minister Brigadier General Hossein Dehqan said, in late May 2014, that Iran’s missile capacity is “defensive, conventional and deterrent and it is not up for negotiations”.⁶⁷ The repeated use of such rhetoric reinforces the importance of this issue being addressed in a comprehensive agreement.

b) Importance of Addressing Iran’s Ballistic Missile Programme

A final agreement that omits the missile issue would provide only limited reassurance to those countries within range of Iran’s ballistic missiles. A deal that both halts Iran’s nuclear programme and places strict restrictions on means of weapons delivery, would help reassure these countries in the event of an Iranian breach and move to ‘breakout’. Iran must therefore be obligated to adhere to the full terms of UNSC Resolution 1929.

Iran’s intransigence on this issue must be overcome. The Islamic Republic’s ballistic missile and weaponisation programmes must be addressed as part of a comprehensive nuclear agreement, despite reported Russian objections.⁶⁸ Iran must immediately cease all missile activity, as required by UNSC Resolution 1929, and reveal the full extent of its weaponisation research.

⁶³ <http://uk.reuters.com/article/2014/05/16/uk-iran-nuclear-missiles-idUKKBN0DV21X20140516>

⁶⁴ <http://uk.reuters.com/article/2014/05/16/uk-iran-nuclear-missiles-idUKKBN0DV21X20140516>

⁶⁵ <http://www.reuters.com/article/2014/05/11/us-iran-khamenei-idUSBREA4A05U20140511>

⁶⁶ <http://www.reuters.com/article/2014/05/11/us-iran-khamenei-idUSBREA4A05U20140511>

⁶⁷ <http://www.presstv.ir/detail/2014/05/25/364124/iran-missile-capacity-nonnegotiable/>

⁶⁸ <http://www.presstv.com/detail/2014/02/20/351486/keep-iran-missiles-out-of-talks-russia/>

Sanctions and Iran's Nuclear Programme

Iran has been subject to perhaps the strongest ever international sanctions regime for its continued nuclear transgressions.

The question of sanctions has been a major topic of discussion in Geneva. While Iran demands the removal of sanctions promptly after any deal, the P5+1 should only lift sanctions gradually, as an incentive for Iran to continue meeting its obligations long after a permanent deal has been signed.

Iran's economy is its Achilles heel. Economic stability remains the biggest threat to the survivability of the regime, and Iran is acutely susceptible to economic pressure as a result. As a direct consequence of sanctions, Iran's economy has struggled in recent years – a sharp reduction in crude oil exports; the value of the Iranian Rial plunged; rampant inflation; and an economy in recession.⁶⁹ Domestic unrest at increased commodity prices caused by sanctions likely factored into the regime's decision to enter negotiations.

Sanctions were having the desired effect. Prime Minister David Cameron spoke of their effectiveness in November 2013:

"I do not have any stary eyed view about what this Iranian regime offers. We only got to where we are because of a very tough sanctions action, that America took, that Britain took, that Britain persuaded the rest of Europe to take and those sanctions on oil, on finance remain today, just as they were before".⁷⁰

a) Sanctions as a Coercive Tool

Sanctions are the P5+1's most coercive tool. The threat of additional sanctions is necessary to put pressure on Iran to agree to a final deal. The continued imposition and credible threat of further punitive sanctions would give the P5+1 valuable leverage in talks over a permanent deal.

For Iran, the credibility of additional sanctions is just as important, and concurrent, as a credible military threat. Iran's leaders must believe that they have more to lose than their P5+1 counterparts, if there is to be any chance of Iran making the concessions necessary for an acceptable permanent deal. Otherwise, the P5+1 are at risk of lacking sufficient leverage to coerce Tehran into putting its nuclear programme verifiably beyond use for weaponisation.

The sanctions architecture, which was put together very carefully by the international community over an extended period of years, must remain in force. Each time sanctions are lifted it becomes ever more difficult, if not impossible, to secure the required support to re-impose them in the event of any Iranian breaches of the terms of a nuclear agreement. The P5+1 should commit to gradually releasing money to Iran, but abstain from tampering with existing sanctions to prevent further deterioration of the framework.

Sanctions relief must not be extended in perpetuity without corresponding Iranian concessions. Whilst Iran has taken welcome steps in accordance with the JPA, it has yet to make the strategic changes necessary for a permanent nuclear agreement. Any relaxation of sanctions would send the wrong signal to Iran and reward Iran for its failure to make genuine concessions.

b) Credible Threat of Further Sanctions

The terms of the JPA do not prohibit the imposition of further sanctions against Iran. Despite this, the EU, and the UK, have not imposed additional sanctions against Iran in over a year. Both the EU, and the UK, stopped doing so in advance of Iran's Presidential election in June 2013. This sanctions effort has been frozen despite Iran's continued work in most areas of its nuclear programme, on-going support for terrorism, and human rights abuses.

Comparatively, the U.S. Government has continued to enact additional rounds of sanctions, including the designation of additional entities and penalties for international banks helping Iran to evade restrictions.⁷¹ While these U.S. sanctions send a clear message that business with Iran remains unacceptable, the P5+1's failure to even credibly threaten additional sanctions reduces the strength of its hand in negotiations, while benefiting and strengthening Iran.

⁶⁹ <http://www.reuters.com/article/2012/10/01/us-iran-currency-drop-idUSBRE89014620121001>

⁷⁰ <http://www.thejc.com/news/uk-news/113527/cameron-reassures-british-jews-over-iran-nuclear-deal>

⁷¹ <http://www.nytimes.com/2014/04/30/world/middleeast/us-announces-new-enforcement-of-iran-sanctions.html>

Iran ought to know the alternatives and consequences to not complying with P5+1 demands about its nuclear programme. As long as Iran's nuclear activities continue there is no reason to stop imposing additional rounds of sanctions.

The interim JPA has risked unravelling an internationally imposed sanctions regime that had taken years to enforce. The interim deal eased the pressure on Iran's economy in return for minimal concessions that fail to curb its nuclear ambitions. The weakened sanctions regime has squandered away much of the leverage the P5+1 need to compel Tehran into making substantive concessions over its nuclear programme.

c) Consequences of Relieving Sanctions

Under the JPA, the P5+1 agreed to gift Iran relief from sanctions to the value of approximately \$7 billion (£4.3 billion), of which roughly \$4.2 billion is oil revenue that had been frozen in foreign banks in accordance with existing sanctions.

The relaxation of sanctions under the JPA, however limited, has relieved the pressure on Iran - which had brought them to seek an agreement in the first place - by giving direct financial relief, and indirectly by restoring some confidence in the Iranian economy. This new sanctions environment has led to an improved market psychology, gifting Iran modest economic growth and strengthening its negotiating position at a critical juncture.

Renewed confidence in Iran's economy can be seen with the sizeable number of international trade delegations visiting Iran to explore potential deals. Among those to visit was a delegation from France, a P5+1 member, that included major French companies Peugeot and Total, seeking to re-enter Iran's automotive and petrochemical markets.⁷² Many of these international companies have interpreted the JPA as the beginning of the end of the sanctions regime. It is essential to disabuse the international financial community of the emerging assumption that a permanent nuclear deal would immediately expunge Iran's record.

Iran's leaders have heralded the sanctions relief. Iran's Foreign Minister Mohammad Javad Zarif said as early as February 2014 that ongoing sanctions relief had created a "safe, stable business environment" in Iran and that the country is now "open for business".⁷³ President Rouhani observed in April 2014 that sanctions were "unravelling" and would "shatter in the coming months".⁷⁴ In June, President Rouhani went further:

"If we can't reach a final agreement in negotiations by July 20th...conditions will never go back to the past. The sanctions regime has been broken".⁷⁵

Iran's resurgent petrochemical sector is further evidence of the gradual collapse of the sanctions regime. In flagrant breach of the JPA, Iran's crude oil exports have exceeded the permitted one million barrels-per-day average limit for eight consecutive months.⁷⁶ Monthly oil exports rebounded 50%, from 800,000 b/d in October 2013 to 1.2 mm b/d in March 2014.⁷⁷ Russia and Iran are said to be negotiating an oil-for-goods deal thought to be worth up to \$20 billion (£12bn).⁷⁸ China, a P5+1 member, accounted for 168,000 b/d of the rise in imports in February.⁷⁹ Increased oil exports have provided Iran with valuable relief, further undermining the effectiveness of remaining sanctions.

The readiness of P5+1 countries to conduct business with Iran's vital petrochemical sector contributes directly to the perception amongst international companies that trading with Iran is legitimate once again. Disunity within the P5+1 further harms its negotiation efforts, and tolerance of sanctions breaches sends a signal to Iran that the P5+1 won't crack down on breaches of a future nuclear agreement.

⁷² <http://www.presstv.com/detail/2014/04/14/358505/iran-in-talks-with-europes-businesses/>

⁷³ <http://www.bloomberg.com/news/2014-02-23/zarif-says-safe-stable-iran-economy-is-open-for-business-.html>

⁷⁴ <http://www.reuters.com/article/2014/04/15/us-iran-nuclear-idUSBREA3E13L20140415>

⁷⁵ <http://www.timesofisrael.com/iran-no-return-to-past-if-nuclear-talks-fail/>

⁷⁶ <http://in.reuters.com/article/2014/07/01/iran-oil-exports-idINL6N0PC3FG20140701>

⁷⁷ <http://www.jinsa.org/files/ImpactOfInterimDealWithIran.pdf>

⁷⁸ <http://news.yahoo.com/russia-says-no-oil-goods-deal-yet-iran-104915199.html>

⁷⁹ <http://www.reuters.com/article/2014/04/11/us-iran-oil-idUSBREA3A1R020140411>

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Collectively, these developments have prompted concerns that the P5+1 have lost control of the intended partial sanctions relief provided by the JPA and that the wider framework of restrictions is in danger of unravelling. The de-escalation of sanctions has already inadvertently provided Iran modest economic growth beyond what the JPA intended and decreased pressure on the regime as a result. Iran has nearly halved its 40% plus inflation rate, is stabilising the Iranian Rial, and is even projected for positive growth after losing 6-7% in GDP between 2012 and 2014, according to the IMF and World Bank.⁸⁰

d) Framework for Lifting Sanctions

The sequencing in which sanctions are lifted following a permanent deal is another area requiring consideration.

Iran contends that all sanctions should be immediately and permanently removed once an agreement is reached. The Iranian regime is desperate to have sanctions lifted from its economy by doing the minimum possible in return.

Sanctions relief should be carefully sequenced in stages, to encourage Iran to meet whatever obligations it has agreed to. Reversible sanctions, such as unfreezing assets, should be lifted first. Irreversible sanctions, such as oil and financial sanctions, which would release hundreds of billions of dollars in oil revenue, should only be lifted at a later date in accordance with Iranian compliance with the full terms of a comprehensive agreement. This staged relief is the best way to give the international community sufficient time to test Iran's commitment to a comprehensive deal and prevent a premature, permanent unravelling of the sanctions regime.

States are most likely to abide by arms control agreements when they believe that any non-compliance will be identified, and they will face major consequences for doing so. A permanent deal must explicitly detail the mechanism to re-impose sanctions if Iran breaches the terms imposed upon it. A deal can only be effective if Iran appreciates the consequences of breaching the safeguards agreement. This requires an enforcement mechanism which credibly threatens severe penalties for any Iranian duplicity and non-compliance.

Specific and detailed commitments from the P5+1, the UN Security Council, and other key players, to re-impose sanctions if Iran went beyond permitted nuclear activities, is required. For absolute clarity, the reimposition of sanctions must occur in the event of both outright breaches of the nuclear agreement, as well as those of a more ambiguous nature. As part of a permanent nuclear deal, the international community must establish a workable mechanism to enable the quick and easy reimposition of sanctions, should Iran be found to have violated the agreement.

In the event of a final, comprehensive agreement, all parties that have imposed sanctions against Iran ought to agree to suspend sanctions rather than lifting them outright. Iran must understand that sanctions would only remain suspended until any detection of non-compliance at which point an agreed 'snap-back' mechanism would be triggered, leading to the immediate and automatic reimposition of sanctions by the P5+1. The idea of sanctions, renewable in perpetuity, negates the diplomatically troublesome task of securing new resolutions at the UN Security Council and the EU in the event of an Iranian breach. For example, following the signing of a permanent nuclear deal, securing support for a new resolution from a majority of the 15 members on the UN Security Council without any vetoes would likely be impossible, at which point there is no simple recourse for Iran's actions.

⁸⁰ <http://nationalinterest.org/feature/iran-the-psychology-sanctions-10511>

Iran's Conduct

Iran is a force of instability in the region. The Islamic Republic has a long-established support for terrorism and a record of human rights abuses. Combined with Iran's record of exploiting periods of negotiation to advance its nuclear interests, these actions give the P5+1 legitimate reasons to approach their Iranian interlocutors with caution.

The P5+1 has opted to separate Iran's support for terrorism and human rights abuses from all nuclear talks and loosely pledged to address them at a later date. However, Iran's actions in these areas ought to be seen as a good barometer of its overall intentions in nuclear talks. Iran will not change its policies without concerted international pressure.

Iran has displayed no discernible change in its actions following both the election of President Rouhani and its acceptance of the JPA. The Iranian regime's ingrained radical policies legitimately call into question its intentions and preparedness to abide by any nuclear accord, and also whether it can be entrusted with sensitive nuclear technologies.

a) Iran's Human Rights Abuses

Iran has one of the worst human rights records in the world. Iran's authorities employ raw terror against its own citizens. Iran leads the world in executions per capita according to Amnesty International.⁸¹ As of June 2014, more than 350 people have been executed this year under President Rouhani's regime, according to human rights groups.⁸² This surge in the use of the death penalty has dampened hopes for human rights reforms under President Rouhani; a self-proclaimed moderate and reformist. The leaders of Iran's opposition, Mir Hossein Mousavi and Mehdi Karroubi, have been detained under house arrest since 2011.⁸³ According to the World Press Freedom Index for 2014, Iran ranked 173rd out of 180 nations, with many journalists detained in prison.⁸⁴ The regime also continues to create a threatening atmosphere for religious minorities and homosexuals. The UK Government must continue to emphasise its strong objection to such human rights abuses and no concessions must be made on this issue.

b) Iran's Support for Terrorism

Iran remains a leading sponsor of state terrorism, providing financial and material support to Islamist terror groups across the Middle East and beyond, including Hamas and Hezbollah. Iran operates a complex network of weapon smuggling routes throughout the region, in defiance of four Security Council resolutions (UNSCR 1737, 1747, 1803, and 1835). Iranian military forces are openly engaged in fighting alongside Hezbollah and forces loyal to President Bashar al-Assad in Syria. Acquisition of nuclear weapons would significantly bolster Iran's regional standing and further advance its hegemonic intentions.

The failure of the P5+1 to link Iran's well-established ties to international terrorism with talks about its nuclear programme has enabled Tehran to continue its active support for terror organisations for the duration of the nuclear talks. Iran has taken advantage of the P5+1's unpreparedness to collectively threaten consequences for such actions. This was most clearly seen in March 2014 when Israeli security forces intercepted the Klos-C ship, a Panamanian-flagged vessel, transporting an Iranian-supplied cargo of 40 concealed M-302 rockets with a range of 55-100 miles. These advanced weapons were reportedly destined to fall into the hands of Hamas and Islamic Jihad in Gaza.⁸⁵ The UN Panel of Experts reported in June 2014 that the weapons originated from Iran and represented a clear breach of a UN arms embargo, enforced by UNSC Resolution 1747.⁸⁶

In the event that it acquires nuclear weapons, Iran and its terrorist proxies would receive a protective umbrella. With Iran already flagrantly supporting terrorism and authoritarian regimes, it begs the question how it would act when protected, and emboldened, by possession of a nuclear weapon. Equally, it should give rise to concerns about the consequences of a terror organisation appropriating an Iranian-supplied nuclear device. Both scenarios pose a large threat to international peace and security and must remain at the forefront of the minds of P5+1 negotiators.

⁸¹ http://www.huffingtonpost.com/majid-rafizadeh/surge-in-executions-and-h_b_5088955.html

⁸² <http://www.iranhrdc.org/english/publications/1000000425-ihrc-chart-of-executions-by-the-islamic-republic-of-iran-2014.html#.U6guvnJdWSo>

⁸³ <http://www.theguardian.com/world/2014/feb/03/iran-opposition-leader-mehdi-karroubi-house-arrest>

⁸⁴ <http://rsf.org/index2014/en-index2014.php> ⁸⁴ <http://www.timesofisrael.com/idf-intercepts-major-iranian-weapons-shipment-to-gaza/>

⁸⁵ <http://www.timesofisrael.com/idf-intercepts-major-iranian-weapons-shipment-to-gaza/>

⁸⁶ <http://www.reuters.com/article/2014/06/28/us-iran-sanctions-un-idUSKBN0F300H20140628>

Furthermore, Iran has not tempered its anti-Western rhetoric. Iran's Supreme Leader Ayatollah Ali Khamenei labeled Israel the "sinister, unclean, rabid dog of the region", as talks resumed in Geneva.⁸⁷ In another act of defiance and betrayal of the spirit of the JPA, Iran's Foreign Minister Mohammad Javad Zarif laid a wreath on the grave of Imad Mughniyah in January 2014, the Hezbollah mastermind behind the murder of hundreds of Americans.⁸⁸ These cannot be considered the actions of a regime preparing its citizens for a meaningful nuclear agreement.

Iran must immediately end its support for terrorist organisation groups - be that in the form of financial, logistical, or material support.

c) Iranian Procrastination as an Impediment to an Agreement

Iran's conduct in nuclear talks in recent decades warrants a degree of wariness about its current intentions.

There is legitimate concern that the rolling timetable implemented by the P5+1 risks the current talks continuing indefinitely. This status quo presents an opportunity for Iran to continue to develop its nuclear infrastructure and invest in nuclear research and development (as allowed in the JPA) for the duration of the negotiation period, while endeavouring to string the process on for as long as possible. Iran's track record indicates that they will opt for deliberate procrastination should they not find the proposed terms of any future deal acceptable.

Talks have already been extended by an additional four months beyond the initial July 20th 2014 deadline. This extension of talks to November 24th 2014 came despite reports that Iran's negotiating team have yet to display a preparedness to discuss in any depth key issues such as Iran's ballistic missile programme.

It is worth recalling that Iran's current President Hassan Rouhani has previously spoken of Iran buying time in order to advance its nuclear programme. In 2004, he gave a speech to the Supreme Cultural Revolution Council, in which he explained his tactic of playing for time during the nuclear talks he was conducting with the EU-3:

"While we were talking with the Europeans in Tehran, we were installing equipment in parts of the [nuclear conversion] facility in Isfahan. By creating a calm environment, we were able to complete the work there".⁸⁹

In his 2012 memoir, Seyed Hossein Mousavian, Hassan Rouhani's spokesman during the 2003 talks, wrote:

"Tehran showed that it was possible to exploit the gap between Europe and the United States to achieve Iranian objectives." He expanded that this, "provided time for Isfahan's uranium conversion project to be finished and commissioned, the number of centrifuges at Natanz increased from 150 to 1,000 and software and hardware for Iran's nuclear infrastructure to be further developed", adding that "the heavy-water reactor project in Arak came into operation and was not suspended at all".⁹⁰

The current talks and rolling timetable present risk of a repeat performance by Iran. In a November 2013 interview with Iranian TV, Iranian Foreign Minister Mohammad Javad Zarif said of the interim deal:

"This agreement does not constitute a legal obligation and these steps are reversible... It is not a treaty, but a six-month Joint Plan of Action. Do not call it more than that... There is always a way out [of the deal]... Any time we decide to do so, we can get out of this agreement".⁹¹

The P5+1 must present a united diplomatic front as a way to counter this and secure the strongest permanent agreement. Iran's negotiation tactics in the past have included attempts to engender divisions within international coalitions in the context of nuclear negotiations. Iran's President Rouhani has previously given testimony to his successful attempts to divide the U.S. and Europeans in order to lock in Iranian nuclear progress, going so far as to dub the tactic one of "widen[ing] the transatlantic gap".⁹²

⁸⁷ <http://abcnews.go.com/blogs/politics/2013/11/kerry-calls-khameneis-rabid-dog-comment-inflammatory/>

⁸⁸ <http://news.yahoo.com/u-condemns-iran-decision-put-wreath-hezbollah-leader-185131595.html>

⁸⁹ <http://www.jpost.com/Opinion/Op-Ed-Contributors/Rouhani-is-no-moderate-318484>

⁹⁰ <http://online.wsj.com/news/articles/SB10001424127887324520904578551273594278646>

⁹¹ <http://www.memri.org/report/en/print7746.htm>

⁹² <http://www.foxnews.com/opinion/2013/08/02/make-no-mistake-mr-obama-iran-rouhani-is-no-moderate/>

The P5+1 must remain alert to this. Reports suggest Iran is now holding separate talks with the U.S., Russia and France, outside of the structure of on-going P5+1 negotiations.⁹³ This would suggest Iran is attempting to create fresh divisions within the P5+1.

The P5+1 are rightly averse to rushing a deal with Iran. They have stated on numerous occasions the importance of securing, not any deal, but the right deal with Iran. However, with each month that passes, the danger of Iranian obfuscation and procrastination continues.

⁹³ <https://news.yahoo.com/iran-announces-nuclear-talks-us-russia-130022114.html>

Conclusion

Neither the IAEA nor the international community has been given legitimate reasons to believe that Iran is honest when it claims that its nuclear programme is entirely for civilian purposes. The onus must be on Iran to make lasting and radical concessions over its nuclear activities. For its part, the P5+1 have already made a profound and permanent concession to Iran – the tacit recognition of Iran's right to enrich uranium. This marks a fundamental change in the P5+1's negotiating position, and represents the abandonment of six long-standing UN Security Council resolutions prohibiting Iran's enrichment programme.

Any permanent and comprehensive nuclear agreement must enforce severe limitations upon Iran's nuclear capacity; in order to hinder and deter a future Iranian decision to build nuclear weapons, and provide the longest possible 'breakout' time should it chose to do so. A workable deal must include:

- Dismantlement of all but a defined and limited number of non-advanced first generation centrifuges;
- Limits on the stockpiles of enriched material in Iran – less than required for one bomb;
- Restrictions on Iran's uranium enrichment programme to strictly defined low-levels – not exceeding levels needed for a legitimate peaceful civilian nuclear programme (3.5%);
- Dismantlement of the heavily fortified, underground Fordow Fuel Enrichment Plant;
- Irreversible conversion of the Arak heavy-water reactor into a form that cannot be used for military purposes;
- Full and immediate compliance with IAEA investigations into the "possible military dimensions" of Iran's nuclear programme and a full, historical accounting of its nuclear programme before any accord is signed;
- Grant IAEA inspectors unfettered access to its full portfolio of both declared and undeclared facilities, including Parchin, where Iran is suspected to have conducted tests related to the development of nuclear weapons;
- Iran's adherence to the modified Code 3.1 of the Subsidiary Arrangements to the Safeguards Agreement for Iran;
- Cease ballistic missile programme in accordance with UNSC Resolution 1929;
- Full disclosure of the extent of Iran's weaponisation research;
- Strict terms that the agreement will remain in force for an extended period of time, as long as 30-50 years, to ensure a substantive change in Iran's strategic conduct;
- Existing sanctions to be lifted in stages in accordance with Iran's continued compliance with the agreement – irreversible sanctions, such as oil and financial sanctions, should only be lifted at a later date;
- "Snap-back" mechanism to immediately re-impose sanctions in event of Iran's violation of agreement.

A binding deal that enshrines the above terms would go a long way to reassuring the international community and severely hamper any future Iranian attempt to 'breakout' and produce a nuclear weapon.

Regardless of how limited Iran's remaining enrichment capacity will be, no permanent agreement can entirely prevent Iran from clandestinely developing a nuclear weapon. This gives added emphasis to the essential role that robust verification mechanisms will play in monitoring all aspects of Iran's nuclear programme. The verification of Iran's full portfolio of nuclear activities will ultimately play a big part in determining the lasting success of any permanent nuclear agreement. Any deal must guarantee real understanding of how close Iran has come to cracking the technologies of building a nuclear warhead. Certainly, Iran's long history of clandestine nuclear activities warrants higher levels of accountability at all levels of its nuclear programme.

However, verification alone cannot prevent a nuclear-armed Iran. It provides no guarantee that a duplicitous state, like Iran, will not successfully evade constraints. As John Bolton, a former U.S. Ambassador to the UN notes:

"Verification is no panacea. It is never completely comprehensive or effective. It cannot convert a bad deal into a good deal".⁹⁴

⁹⁴ <http://aei.org/article/foreign-and-defense-policy/verification-is-the-elephant-in-the-room-in-the-iranian-nuke-deal/>

In tandem with verification mechanisms, the P5+1 must make absolutely certain that Iran fully understands the immediate punitive measures that will be taken against it should it choose to violate the agreement. Collectively, these measures should better serve to dissuade Tehran from making a 'breakout'.

Iran cannot expect to be treated as a 'normal' non-nuclear weapons state under the NPT until it has earned the right over a period of many decades. It must meet its obligations to the international community.

The agreement is not more important than its content. A permanent nuclear deal must only be signed if it is the right deal. P5+1 negotiators can ill-afford a final, permanent agreement that includes unsatisfactory terms and ambiguous language, and excludes key issues that the parties were unable to reach agreement on. All measures that Iran will be obligated to adhere to must be explicitly detailed. The JPA's omission of Iran's ballistic missile programme highlights the importance of a final agreement addressing all issues both directly and indirectly related to Iran's nuclear activities, however painstaking for negotiators.

A statement in July 2014 from former Foreign Secretary William Hague was reassuring:

"We will not accept a deal at any price. A deal that does not provide sufficient assurances that Iran will not develop a nuclear weapon is not in the interests of the UK, the region or the international community".⁹⁵

Iran will forever refer back to the terms of any nuclear deal. Nothing should be signed until everything has been agreed. Iran has a proven track-record of exploiting ambiguity. A watertight agreement with precise language is therefore essential.

Given Iran's history of exploiting extended periods of negotiation to advance its nuclear ambitions, the P5+1 must remain wary of the rolling timetable incorporated in the JPA. In light of the four-month extension of talks, the P5+1 should continue to reiterate that no agreement is possible unless Tehran addresses the IAEA's concerns and Iran will be exposed to further sanctions should it remain uncooperative.

Iran's acquisition of a nuclear weapon, perhaps resulting from an insufficiently robust agreement, could trigger a regional nuclear arms race. There is a very real danger that a number of Iran's regional neighbours would pursue their own nuclear ambitions, including, but not limited to, Saudi Arabia, Egypt, and Turkey. Not only would proliferation destabilise one of the world's most volatile regions, but it could also bring about the collapse of the Non-Proliferation Treaty, with the international community seen to be incapable of preventing the spread of the world's most dangerous weapons. This must be a global concern in a very real sense.

Former Foreign Secretary William Hague expressed concerns about both the collapse of the NPT and a possible nuclear arms race in the region:

"A nuclear-armed Iran would have devastating consequences for the Middle East and could shatter the Non-Proliferation Treaty... Everything that I have seen and heard in the region as Foreign Secretary so far, that if Iran set about the development of nuclear weapons, other nations in the Middle East would do so as well, and that there would be a nuclear arms race in the region".⁹⁶

The P5+1 negotiating powers have one opportunity to secure a lasting agreement to prevent such a scenario.

⁹⁵ <https://www.gov.uk/government/news/foreign-secretary-iran-talks-at-crucial-moment>

⁹⁶ <http://www.publications.parliament.uk/pa/cm201212/cmhansrd/cm120220/debtext/120220-0002.htm#12022015000001>

