

September 9, 2018

Report on:

Latest developments and efforts by the Europeans to save the Iran's nuclear deal

Broader question

At the end of August 2018, Iran's Supreme Leader Ayatollah Ali Khamenei declared that Iran could abandon its nuclear accord with world powers after the US withdrawal if it does not serve its interest, casting doubt on negotiations with European countries to salvage the deal. Back in May 2018, Khamenei issued six demands to Britain, France, and Germany if they wished Iran to remain in the 2015 nuclear agreement. They included: a European condemnation of the US withdrawal; a European commitment to preserve banking interactions with Iran; to confront any new US sanctions on Iran; to ensure Iranian oil sales remain at their current level; and a commitment not to complain about Iranian ballistic missile program and regional activities. The Europeans fear that Tehran could leave the agreement and recommence its enrichment of uranium. Therefore, the EU continues to work on saving the Iran nuclear deal, calling it the best way to avoid nuclear proliferation.

Focused summary

- Iran's Supreme Leader Ayatollah Ali Khamenei's latest pronouncements in August 2018, following the six demands to Britain, France, and Germany in May, are a message sent to hardliners inside the country and meant to increase pressure on the Europeans;
- For the EU, Khamenei's latest pronouncements are of great concern since Iran's Supreme Leader is giving his blessing to hardliners and seems to be tying Rouhani's hands as he attempts to renegotiate the nuclear deal;
- The EU remains committed to preserving the JCPOA against US pressure through a two pronged strategy. On the one hand, Brussels is putting together a package of initiatives aimed at salvaging the deal economically. Concurrently, France, the United Kingdom and Germany are reaching out to the US, hoping that this would bring the Trump administration back to the negotiating table;
- There is growing consensus in Brussels that only China and the EU working together could circumnavigate US sanctions and thus save the Iran's nuclear deal. In this context, some ideas aired include the possibility for the Europeans to purchase Iranian oil from China and have it shipped to European ports using Chinese shipping companies.