



OUTCOMES OF THE RUSSIAN–U.S. HIGH-LEVEL WORKING GROUP ON THE IRANIAN NUCLEAR ISSUE

The Russian–U.S. working group on the Iranian nuclear issue was established in November 2013 by the PIR Center a leading Russian NGO in the area of international security, and the Near East South Asia Center for Strategic Studies (NESA), a regional center under the U.S. Department of Defense. The aim of the group was to support the positive dynamics of the process of negotiations between Iran and P5+1 and contribute to reaching of the Comprehensive Agreement on the Iranian nuclear program.

The meeting of the group took place in Gstaad, Switzerland on January 27–29, 2014. It was later supplemented by the coordinators' work in May of 2014.

PROJECT COORDINATORS' SUMMARY¹

1. NEGOTIATING THE FUTURE OF THE IRANIAN NUCLEAR PROGRAM UNDER THE COMPREHENSIVE AGREEMENT
 - 1.1. The manner of implementing the Interim Agreement will shape the negotiations on a permanent agreement.
 - 1.2. The majority of the members of the group agreed that there is a 6- to 12-month window of opportunity to reach agreement with Iran. Therefore the first priority should be given to the measures that could be implemented and bear fruit within this time limit.
 - 1.3. All members of the group agreed that the Arak heavy water research reactor should be converted into a light water one or modified in order to produce less plutonium. No reprocessing facilities should be constructed in Iran.
 - 1.4. The majority of the members of the group agreed that Iran should ratify an Additional Protocol to its IAEA Comprehensive Safeguards Agreement, and start applying modified code 3.1 of the Subsidiary Arrangements General Part to the country's Safeguards Agreement.
 - 1.5. All members of the group agreed that Iranian ratification of the Comprehensive Nuclear-Test-Ban Treaty and enabling the work of the monitoring stations could be a good confidence-building measure and should be encouraged. Some members of the group believe that Iranian ratification is only possible and meaningful with parallel voluntary ratification of the CTBT by Egypt and Israel.
 - 1.6. All members of the group agreed that Iran should be encouraged to ratify the Convention on Nuclear Safety, the Vienna Convention on Civil Liability for Nuclear Damage, and the Convention on the Physical Protection of Nuclear Material.
 - 1.7. The majority of the members of the group agreed that the limitations on the Iranian nuclear program that go beyond the NPT should be aimed at showing the peaceful nature of the program and will not be permanent. Some members of the group



proposed a seven-year period, based on the time that was necessary for IAEA to reach a broader conclusion, for which there would be no undercover activities in South Africa. Other members of the group believed that 10 years would be an acceptable compromise. A number of the members of the group believe that a much shorter period of time will be sufficient.

- 1.8. Some members of the group proposed that the IAEA Director General should be invited to the meetings between Iran and P5+1 as an observer. This would further integrate the agency in the negotiating process and help to clarify the IAEA's role within the comprehensive agreement. Along the same lines Iran and the members of P5+1 should give joint briefings at the sessions of the IAEA Board of Governors. This will increase the transparency of the process, show the unified position of negotiating parties, and serve as a confidence-building measure.
- 1.9. Some members of the group believe that not only levels and volumes of enrichment but the overall nuclear capacity of Iran should be limited by its exact and justified needs.
- 1.10. Some members of the group suggested that in order to secure the so-called *uranium pathway* to nuclear weapons, a cap should be put on the Iranian overall stock of LEU with 3.5 percent enrichment. Another limitation should be put on the number of Separative Work Units (SWUs) that the Iranian enrichment program has, not on the number of centrifuges, as the latter can have different SWUs per year or month depending on the type of the centrifuge.
- 1.11. A number of members of the group proposed to explore how the Islamic framework can be used to reinforce the Iranian commitments not to acquire nuclear weapons. Iranian Supreme Leader Ali Khamenei has spoken publicly against nuclear weapons and is widely believed to have issued a fatwa against the production and use of these. Including reference to the fatwa in the preamble to agreements with Iran or coming up with a similar approach could prove useful.

Some members of the group believed that all the past activities and possible military dimensions of the Iranian nuclear program should be thoroughly examined by the IAEA. However, other members of the group stressed that if the past activities of Iran remained the only pending issue, it should not impede the conclusion of the Comprehensive agreement.

2. REMOVING SANCTIONS

- 2.1. All members of the group believe that introduction of new nuclear-related sanctions against Iran at the current moment or at any point while the parties negotiate in good faith would be a mistake and could break up the negotiating process.
- 2.2. All of the members of the group agreed that once the Comprehensive Agreement with Iran is concluded there should be no new nuclear-related sanctions imposed on the country.
- 2.3. The majority of the members of the group agreed that the UN Security Council sanctions against Iran should be lifted, once the regime of strict long-term IAEA inspection is introduced. Some members of the group noted that as lifting the UNSC sanctions should be part of any Comprehensive Agreement, a Security Council resolution with the precise timetable and conditions for lifting the sanctions should be passed prior to reaching such an agreement.
- 2.4. The majority of the members of the group agreed that sanctions relief will prove to be one of the most difficult parts in reaching and implementing the agreement. As the major part of the U.S. sanctions against Iran are multipurpose and involve different goals apart from solving the nuclear issue, they will be harder to revoke, compared with the sanctions introduced by the UN Security Council and the EU. Dealing with the U.S. sanctions, it will be more prudent to start with those that do not require congressional action, and can be dismantled with Executive orders or waivers. Once the White House starts successfully trading the sanctions for concessions on the part of Iran, Capitol Hill might accept the benefits of the process and go along with it.
- 2.5. Some members of the group believe that the optimal way to deal with current sanctions against Iran (both international and unilateral) would be their suspension instead of

removal. The suspension would require yearly renewal conditioned by certification that Teheran is not involved in illicit nuclear activities. Such a mechanism would have better chances of passing through the U.S. Congress.

3. ENGAGING IRAN

- 3.1. Some members of the working group stressed that the Geneva agreement remains very fragile and became possible because of the unified position of P5+1. All the actions that could provoke tensions between the members of the group (e.g. introducing new sanctions against Iran, circumventing the current sanctions regime) and undermine the negotiating process should be avoided.
- 3.2. Some members of the group proposed a greater engagement with Iran within the IAEA International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO). In the format of INPRO Iran could be advised on the best energy mix and on the building of its nuclear plants. Russia and the United States could both participate in this process.
- 3.3. Some members of the working group noted that the core of the Tehran research reactor is obsolete and should be replaced with technical assistance from the IAEA, Russia, and the United States.
- 3.4. Some members of the group indicated that organizing nuclear safety and nuclear security exercises in the Middle East with Iranian participation (those might include Bushehr NPP stress tests) could help reduce fears of Iran's neighbors and decrease tensions in the region. Some experts believe that Iran should be invited to the next Nuclear Security Summit in Washington in 2016.

Some members of the group find it necessary to aim, in the long term, at implementation of joint programs (by Russia, the USA, or both) in the nuclear sphere in the Middle East with Iranian participation. Those programs should be economically viable and demonstrate the transition from confrontation to the cooperation in the region.


- 3.5. Some members of the group noted that Iran does not have enough natural uranium for a nuclear program on its territory. Contracts for shipment of natural uranium under strict international monitoring will be seen as a sign of good will in the negotiations.
- 3.6. Some members of the group proposed to elaborate on the opportunity of the United States buying enriched uranium for its nuclear power plants from Iran. This would play well with Iranian pride, and shift the relations between the two countries from politics and ideology to the economy. Being a customer could give the United States the possibility to put forward some recommendations and conditions when it comes to uranium enrichment.
- 3.7. Some members of the group noticed that while engaging Iran in technological cooperation might have benefits, sensitive technologies must not be shared.
- 3.8. Some members of the group believe that there is a need for close cooperation with Iran to help move the country off the Financial Action Task Force on Money Laundering (FATF) black list and for step-by-step reintegration of Iran into the international financial system.
- 3.9. Some members of the group proposed to help to accelerate Iranian accession to the World Trade Organization.

4. REGIONAL DYNAMICS

- 4.1. To date, other Middle East countries have not been invited to the table to negotiate the Comprehensive Agreement. It seems that this will be a prevailing trend: to isolate the nuclear and the regional tracks.
- 4.2. At the same time the very process of trust-building between the P5+1 and Iran caused some significant shifts in regional politics (e.g. in relations between Iran and Saudi Arabia, Iran and Israel). Countries of the region could be further engaged in the process of normalization of relations; they can also play a role in a Comprehensive Agreement. Third parties could provide technical support for implementing and verifying the provisions of the agreement. There are a number of states that have



played and could play an important role as intermediaries (Armenia, Kazakhstan, Oman, etc.). Other countries can recommend the U.S. Congress to support the Comprehensive Agreement with Iran.

- 4.3. Some members of the group noted that despite the tentative success on the nuclear track, the P5 should not take for granted Iranian cooperation on other issues. As the Army of the Guardians of the Islamic Revolution (not President Rouhani) controls Iranian foreign policy towards the key points in the region (e.g. Syria, Lebanon, Iraq, etc.) it will make broader regional cooperation with Iran more difficult.
- 4.4. Some members of the group proposed reaching a regional agreement, prohibiting the use of force (including cyber attacks) or the threat of use of force against the nuclear installations placed under the IAEA safeguards. The agreement could be initiated through regional dialogue or through the UN Security Council. This would make Iran less concerned with its security, and produce incentives for all countries of the region to cooperate with IAEA.
- 4.5. Some members of the group believe that the process of the establishment of a Weapons of Mass Destruction-Free Zone in the Middle East is a good framework with which to engage Iran with its regional rivals and bring sustainability to the Comprehensive Agreement. To support the process Russia and the United States should pursue active diplomatic involvement and bring their allies in the region to the negotiating table.
- 4.6. Some members of the group think that Russia and the United States should avoid giving too many commitments in the Middle East in order not to be manipulated by the regional powers.
- 4.7. Some members of the group proposed that Russia and the United States, as well as other P5 members, should provide negative security assurances to the countries in the Middle East, including Iran.
- 4.8. The majority of the members of the group think that organizing a joint stock company for uranium enrichment (as in the case of URENCO, Eurodif, or the International Uranium Enrichment Center), based on the existing Iranian nuclear fuel cycle where regional states can have shares, is a promising idea. Internationalizing and regionalizing the nuclear fuel cycle would strengthen cooperation in the region. External managers on the board will add to the transparency of the Iranian nuclear program.
- 4.9. Some members of the group believe that the multilateralization of the Iranian nuclear fuel cycle might serve as an example for other countries in the world (including the P5 and de facto nuclear-weapon states). This will help to close certain loopholes in the NPT and become a back door to the Fissile Material Cutoff Treaty. 

NOTE

¹ This report is a summary of the meeting held under the Chatham House rule, prepared by the PIR Center's Program Coordinator Andrey Baklitskiy and NESAP Professor Gawdat Bahgat. It reflects the discussion at the meeting but does not represent any kind of consensus