



BRIEFING PAPER

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What now for the Iran nuclear deal?

By Claire Mills

At the beginning of January 2020, Iran announced that it would no longer abide by any of its commitments under the 2015 Joint Comprehensive Plan of Action (JCPOA). The announcement fell short of total withdrawal from the deal, as Iran confirmed it would continue its co-operation with the International Atomic Energy Agency (IAEA). On 14 January 2020 the E3 (UK, France and Germany) referred the matter to the Joint Commission of the Dispute Resolution Mechanism of the JCPOA.

What does the latest announcement mean?

Iran has been steadily reducing its commitments under the JCPOA over the last eight months amid increasing tension in the region.

This latest decision ends the limits imposed on the number of centrifuges that can be used for enrichment. It means that there are now no longer any restrictions on Iran's enrichment programme. The Iranian government

Timeline of Iranian breaches

May 2019 - lifts limits on its stockpile of enriched uranium and heavy water. Surpasses those limits on 1 July 2019.

July 2019 – begins enriching uranium beyond the 3.67% cap.

September 2019 – lifts limits on R&D of centrifuge technology and begins to install more advanced centrifuges.

November 2019 – resumes enrichment at the Fordow nuclear facility.

January 2020 – lifts limits on the number of centrifuges in operation.

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has stated that, from now on, its nuclear programme will “be developed solely based on its technical needs”.¹

However, the Government also stated that it would continue to co-operate with the IAEA, which monitors compliance with the deal, and allow IAEA inspectors access to its sites. It also stated that it would return to its obligations under the JCPOA if sanctions were lifted.

Is Iran about to get a nuclear bomb?

Going forward Iran will not observe any restriction on either its stockpiles of enriched uranium or the level to which it will enrich uranium. Both these limits were designed to lengthen the time it would take Iran to produce a nuclear warhead. Disregarding those limits could significantly reduce this ‘breakout’ time, presently estimated at about a year, to perhaps six months or less.²

It has also been noted that without constraints on its ability to develop nuclear technology, Iran will increase its expertise in centrifuge enrichment to such a point that it will become irreversible.

However, Iran’s willingness to continue co-operating with the IAEA has provided some hope that the country will not abandon the agreement altogether.

Iran still maintains that its nuclear programme is for peaceful purposes.

How have the E3 responded?

On 6 January 2020, the EU countries that led on the 2015 Iranian nuclear deal, France, Germany and the UK (the E3), issued a joint statement urging Iran to stick to its commitments under the JCPOA nuclear deal and calling for restraint from all sides with respect to tensions in the Middle East.³

That was followed by a further [statement](#) on 12 January 2020 in which the E3 called upon Iran to return to compliance, while also stating:

We reserve recourse to all the provisions of the JCPOA to preserve it and to resolve the issues related to Iran’s implementation of its JCPOA commitments within its framework.

We will also need to define a long-term framework for Iran’s nuclear programme.

JCPOA Dispute Resolution Mechanism

However two days later, on 14 January 2020, the E3 [announced](#) that in light of Iran not meeting its nuclear commitments, they had referred the matter to the Joint Commission under the Dispute Resolution Mechanism provided for in the [JCPOA](#). That statement cited concerns that:

Iran’s actions are inconsistent with the provisions of the nuclear agreement and have increasingly severe and non-reversible proliferation implications.

We do not accept the argument that Iran is entitled to reduce compliance with the JCPOA. Contrary to its statements, Iran has never triggered the JCPOA Dispute Resolution Mechanism and has no legal grounds to cease implementing the provisions of the agreement.⁴

E3 Foreign Ministers concluded by reaffirming their commitment to the accord:

¹ [Statement of the Atomic Energy Organisation of Iran](#), 5 January 2020

² [‘Iran rolls back nuclear deal commitments’](#), *BBC News Online*, 5 January 2020

³ [‘Joint statement from President Macron, Chancellor Merkel and Prime Minister Johnson on the situation in Iraq’](#), Downing Street press release, 6 January 2020

⁴ [E3 Foreign Ministers Statement on the JCPOA](#), 14 January 2020

We do this in good faith with the overarching objective of preserving the JCPOA and in the sincere hope of finding a way forward to resolve the impasse through constructive diplomatic dialogue, while preserving the agreement and remaining within its framework. In doing so, our 3 countries are not joining a campaign to implement maximum pressure against Iran. Our hope is to bring Iran back into full compliance with its commitments under the JCPOA.

What happens now?

The aim of the Dispute Resolution Mechanism is to resolve issues relating to the implementation of the agreement. It is pursued within the framework of the Joint Commission, which comprises the UK, France, Germany, Russia, China, Iran and the European Union.⁵ As Coordinator of the Joint Commission, the EU High Representative, Josep Borrell, will oversee the Dispute Resolution Mechanism process. In a statement issued on 14 January 2020, Mr Borrell urged:

The Dispute Resolution Mechanism requires intensive efforts in good faith by all. As the Coordinator, I expect all JCPOA participants to approach this process in that spirit.⁶

The dispute resolution process

Under the detailed process set out in the JCPOA ([para 36 and 37](#)) the Joint Commission has 15 days to resolve an issue of noncompliance after the referral is made; although if all parties agree, the timeframe can be extended.

If the Joint Commission does not resolve the compliance issue, any state can elevate the complaint to the Ministers of Foreign Affairs. The Ministers then have a further 15 days (or longer by consensus) to resolve the concern.

At the request of the State, or States, raising the noncompliance issue, or at the request of the state allegedly not in compliance, a three-member Advisory Board can be convened in parallel to the ministerial consideration or instead of ministerial consideration. The State that raised the issue of noncompliance and the accused State each appoint a member and the third is independent. The Advisory Board has 15 days to offer an opinion, which is non-binding.

The Joint Commission then has five days to consider the Advisory Board's opinion.

If the Joint Commission has still not resolved the dispute and the complaining State/s believe it to "constitute significant non-performance" of JCPOA commitments, the matter could be referred to the UN Security Council.

What has the British Government said?

In a Statement to the House on 14 January 2020, the Foreign Secretary made clear the aim of using the Dispute resolution Mechanism to bring Iran back into compliance with the agreement:

we are triggering the DRM because Iran has undermined the objective and purpose of the JCPOA, but we do so with a view to bringing Iran back into full compliance. We are triggering the DRM to reinforce the diplomatic track, not to abandon it. For our part, as the United Kingdom we were disappointed that the US withdrew from the JCPOA in May 2018, and we have worked tirelessly with our international partners to preserve the agreement. We have upheld our commitments, lifting economic and financial sanctions on sectors such as banking, oil, shipping and metals. We lifted an

⁵ As signatories to the JCPOA. Since its withdrawal from the JCPOA in May 2018, the United States cannot participate in the Joint Commission.

⁶ [Statement by High Representative Borrell as Coordinator of the Joint Commission of the Joint Comprehensive Plan of Action on the Dispute Resolution Mechanism](#), 14 January 2020

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asset freeze and travel bans on listed entities and individuals. We have sought to support a legitimate trade relationship with Iran. The UK, France and Germany will remain committed to the deal, and we will approach the DRM in good faith, striving to resolve the dispute and bring Iran back into full compliance with its JCPOA obligations.⁷

He went on to conclude:

the Government in Iran have a choice. The regime can take steps to de-escalate tensions and adhere to the basic rules of international law or sink deeper and deeper into political and economic isolation. So too, Iran's response to the DRM will be a crucial test of its intentions and good will. We urge Iran to work with us to save the deal. We urge Iran to see this as an opportunity to reassure the world that its nuclear intentions are exclusively peaceful. We urge the Iranian Government to choose an alternative path and engage in diplomacy and negotiation to resolve the full range of its activities that flout international law and destabilise the region.⁸

In an interview with the BBC the same day, however, the Prime Minister expressed his belief that the JCPOA was "flawed" and that it should be replaced with a deal that the United States could support. He was reported as stating:

If we're going to get rid of it, let's replace it and let's replace it with the Trump deal [...] President Trump is a great dealmaker, by his own account. Let's work together to replace the JCPOA and get the Trump deal instead.⁹

Labour has accused the Government of confusion over its policy, with Shadow Foreign Secretary, Emily Thornberry, commenting:

we could be forgiven for thinking that he and the Prime Minister are not exactly on the same page.¹⁰

In response to concerns raised within the House Mr Raab commented:

This is not about the UK position or any nuance regarding the Prime Minister. This is the position of the E3 at leader level. The E3 made clear in the joint statement recently that we would like to preserve the JCPOA, but that we are also ambitious for a broader rapprochement with Iran, which of course would have to take into account all the other areas of international concern. It is not just the nuclear issue that is a concern to us; it is also the destabilising activity, the downing of the Ukrainian airline flight and the treatment of our dual nationals. Even if we got Iran back to the JCPOA in full compliance, those issues would remain, and of course we should—with our American partners, as we are doing with our European partners—look to deal with all those issues for the long term.¹¹

Snapback provisions and the return of UN and EU sanctions?

If matters of non-compliance cannot be resolved through the Dispute Resolution Mechanism and the matter is referred to the UN Security Council, then a new procedure would commence which could result in the automatic 'snapback' of UN-related nuclear sanctions on Iran that were in place before the JCPOA was agreed.

UNSCR 2231

[UN Security Council Resolution 2231](#) endorsed the JCPOA.

Paragraphs 10 to 14 outline the process for re-imposing sanctions, once a violation dispute has been escalated to the UN Security Council by a JCPOA participant state. The UN Security Council then has 30 days in which to vote on a resolution to continue the

⁷ HC Deb 14 January 2020, c897

⁸ *ibid*

⁹ "[Boris Johnson: Replace Iran nuclear plan with 'Trump deal' says PM](#)", *BBC News*, 14 January 2020

¹⁰ HC Deb 14 January 2020, c898

¹¹ *Ibid*, c900

sanctions lifting. If there is no resolution then the provisions of the old UN Security Council resolutions would be re-imposed, unless the UN Security Council decides otherwise:

Decides, acting under Article 41 of the Charter of the United Nations, that, within 30 days of receiving a notification by a JCPOA participant State of an issue that the JCPOA participant State believes constitutes significant non-performance of commitments under the JCPOA, it shall vote on a draft resolution to continue in effect the terminations in paragraph 7 (a) of this resolution, decides further that if, within 10 days of the notification referred to above, no Member of the Security Council has submitted such a draft resolution for a vote, then the President of the Security Council shall submit such a draft resolution and put it to a vote within 30 days of the notification referred to above, and expresses its intention to take into account the views of the States involved in the issue and any opinion on the issue by the Advisory Board established in the JCPOA; 12. Decides, acting under Article 41 of the Charter of the United Nations, that, if the Security Council does not adopt a resolution under paragraph 11 to continue in effect the terminations in paragraph 7 (a), then effective midnight Greenwich Mean Time after the thirtieth day after the notification to the Security Council described in paragraph 11, all of the provisions of resolutions 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008), and 1929 (2010) that have been terminated pursuant to paragraph 7 (a) shall apply in the same manner as they applied before the adoption of this resolution, and the measures contained in paragraphs 7, 8 and 16 to 20 of this resolution shall be terminated, unless the Security Council decides otherwise...¹²

In addition to UN sanctions, national and EU sanctions could also be imposed if Iran is determined to be in breach of its commitments.

Box 1: Useful reading

- House of Commons Library, CBP8597, [The Iran nuclear deal and rising tensions in the Gulf](#), October 2019
- Andrea Berger, [Explaining UN 'snapback' in the Iran deal](#), RUSI Commentary, July 2015

¹² UNSCR 2231 (2015), para.11

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