

Research Briefing

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Iran's influence in the Middle East



Summary

- 1 Where does Iran have influence?
- 2 Concerns for Iranian influence
- 3 Limiting Iranian influence and power
- 4 What might happen in 2022?

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Summary

Concern for Iranian foreign policy is not limited to its nuclear ambitions, but its proxy forces and alliances with violent groups across the Middle East.

Since the Iranian revolution of 1979, when the Shah was overthrown and Ayatollah Khomeini returned to the country, the Iranian regime has [sought to embed its influence across the region](#).

To do this, Iran has countered conventional military forces with a network of associated militia groups and other non-state actors, starting with Hezbollah in Lebanon in the 1980s. The [Islamic revolutionary guard corps](#) (IRGC) Quds force has been key to this process.

Regional instability and weak states in Lebanon (from the 1980s), Iraq (from 2003) and Yemen (from 2014) have allowed Iran to develop alliances with Hezbollah in Yemen, militia groups in Iraq and the Houthi group in Yemen. Iran has also supported President Assad in Syria, with the two countries being long-standing allies.

Iran's actions are considered by the UK and its allies to be destabilising to the region, and many of these groups are considered terrorist organisations or have arms embargoes in place against them.

Talks with Iran are currently ongoing to re-establish the 2015 nuclear agreement. Iran's competitors in the region, such as Saudi Arabia, have previously called for any new agreement [to be widened to curtail Iran's wider military activity](#). There are also fears that if sanctions are lifted in any new deal, this will [strengthen the hand of the IRGC](#) and allied groups.

This briefing describes Iranian activity in four Middle Eastern countries, what the UK and others have said and done in response, and prospects for 2022.

Why does Iran seek greater influence?

International Crisis Group [cite several reasons for Iran's strategy](#):

- To seek to secure the regime through a “forward defence” strategy, meaning it battles its enemies in other states (eg, Lebanon, Iraq).
- Iran is a Shia-Muslim majority state, while most regimes in the Middle East are governed by Sunni Muslim rulers—notably Saudi Arabia, one of its significant regional rivals. Iran claims to act to protect Shia Muslims.
- To combat US and Israel and competitors such as Saudi Arabia.

In which countries is Iran influential, and why?

Iran has targeted weak states and generally supported non-state actors that are carving out areas of autonomy within them. The primary exception is its long-standing alliance with the Syrian regime, which has strengthened during the country's civil war. In summary:

- Iran has [supported Hezbollah in Lebanon](#) since the country's civil war in the 1980s. Hezbollah maintains a separate military force to the Lebanese state and provides many basic services for the population. Hezbollah and its political allies have recently come under [criticism for its potential role in the 2020 Beirut warehouse explosion](#), however.
- Since the US-led invasion of Iraq in 2003 and the arrival of Islamic State/Daesh in the mid-2010s, Iran has [financed and trained militia groups](#) which now stand as a separate force to the Iraqi military. But Iranian-aligned political parties did [fare badly in Iraq's 2021 elections](#).
- During Yemen's civil war, Iran has provided [military support and training to the Houthis](#), who oppose the internationally recognised Hadi Government (which a Saudi-led coalition has intervened in support of). The [war has essentially stalemated](#), as have peace talks.
- In Syria, President Assad was opposed by Gulf Arab states when conflict broke out in the country in 2011/12. Iran has provided significant military and economic support to his regime. However, Arab states are now [beginning to reconcile with Assad](#). This may dilute Iran's influence.

Will 2022 see any new agreements or reconciliation?

An agreement on Iran's nuclear deal is reported to have been in its final stage for several months, meaning an agreement is expected in 2022.

Whether the agreement curtails Iran's wider influence in the region is unknown, but unlikely. In March 2022, the Iranian Government rejected the notion that matters of "national strength" [were for negotiation](#). Talks are [currently paused](#).

The Arab Gulf States—such as Saudi Arabia and the United Arab Emirates (UAE)—consider Iran's actions to [ferment "sectarian strife"](#) and have expressed concern for Iranian backing for Bahraini opposition groups.

However, there are some [talks between Arab Gulf states and Iran](#). These are likely to continue and may result in progress in peace talks for Yemen. However, in March 2022 Iran [cancelled a planned meeting with Saudi Arabia in Iraq](#). This was reportedly related to Saudi Arabia's execution of 81 people on terrorist offences, including 41 Shia Muslims.

1

Where does Iran have influence?

Why does Iran's regime seek influence abroad?

The Iranian regime hopes its efforts will [strengthen its regional influence and undermine that of the US and its Gulf allies](#), as well as Israel. It is seeking to:

- Protect the legacy of the 1979 Islamic Revolution, when the Shah was overthrown. The country fought an eight-year war with Iraq from 1980. Iraq had the backing of most Arab states.
- Obtain allies abroad to end its isolation (Iran is one of the most sanctioned countries in the world).
- Protect longstanding allies, such as the Syrian regime.
- Protect Shia Muslims (Iran is a Shia-majority state, most other Middle Eastern states have Sunni Muslim rulers and majority Sunni populations).
- Compensate for relatively weak conventional military capabilities and instead build up a network of affiliates and proxies to protect it. This is called the “forward-defence” strategy, whereby it combats enemies in weak states such as Lebanon and Iraq.¹

Iranian support is not universal—some regime opponents question its [cost at a time when Iran's economy is struggling](#).² The US, UK and Gulf powers consider these offensive acts disruptive towards regional stability.

Further reading on Iranian strategy and influence

- International Institute of Strategic Studies, [Iran's networks of influence in the Middle East](#), 2019. Surveys Iranian actions across the region.
- Crisis Group, [Iran's priorities in a turbulent Middle East](#), April 2018. A short summary of Iranian strategic priorities and the “perception gap” between Iran and other regional powers.
- Brookings Institute, [How Iran's regional ambitions have developed since 1979](#), January 2019. Timeline of key events since 1979.

¹ Crisis Group, [Iran's priorities in a turbulent Middle East](#), 13 April 2018, accessed 11 March 2022

² Al-Monitor, [Khamenei defends Iran's regional strategic influence](#), 10 March 2022, accessed 14 March 2022

- BBC News, [Iran's network of influence in the Mid-East "growing."](#) November 2019
- Atlantic Council, [Iran's Middle East influence may actually be declining,](#) November 2021

Iran's regional affiliates

This paper covers Iranian influence in Lebanon, Syria, Iraq, and Yemen.

The US estimates Iran has [spent up to US\\$ 700 million each year supporting groups](#) such as Hezbollah and Hamas (in Lebanon and the Palestinian Territories, respectively), but in recent years foreign sanctions have impeded its ability to mobilise the same level of support.³

Iran is a Shia-majority country, and its main allies in Iraq and Lebanon are also Shia Muslims. While Iran may work closely with these groups, they are not solely proxies: They have their own agendas and origins.



From Council on Foreign Relations, [Iran's regional armed network](#), updated 1 March 2021, [CC BY-NC-ND-4.0](#). Image cropped. See the Council's website for a breakdown of the militias highlighted on the map.

³ US State Department, [Country reports on terrorism 2019: Foreword](#), accessed 14 March 2022

What is the Islamic revolutionary guard corps (IRGC)?

The IRGC was established as a counterweight to Iran's regular armed forces following the Iranian revolution of 1979, which saw the Shah overthrown. In addition to personnel in Iran, it exerts wider influence in the region by providing money, technology, and training through its Quds force.

The IRGC was designated a terrorist organisation by the US in 2019. The UK, EU and US apply sanctions against the group.

The US has accused the Quds force of supporting terrorist organisations, leading to the deaths of US and allied personnel. The group has worked in Iraq and Syria.

The UK Government believes the Quds force to "[almost certainly](#)" be [responsible for attacks on tankers](#) in the Gulf of Oman and the seizure of the UK-flagged vessel, the Stena Impero, in 2019.⁴

Further reading:

- BBC, [Profile: Iran's revolutionary guards](#), January 2020
- Council on Foreign Relations, [Iran's revolutionary guards](#), May 2019

1.1

Lebanon

When did Iranian engagement with Hezbollah begin?

Hezbollah is a [Shia Muslim military and political group](#), opposed to Israel and US and allied presence in the Middle East. It is simultaneously part of the Lebanese political system, with representatives in parliament and having political allies, while also managing its own network of social services and maintaining a military wing.

Iran's engagement with the group goes back to the Iranian revolution and the formation of Hezbollah in 1982, during the Lebanese civil war. Iran provided funds and training to the group, who undertook attacks against French and US troops in the country (who were present as part of a multinational peacekeeping force, the United Nations Force in Lebanon). Hezbollah also clashed with Israeli troops when they occupied Southern Lebanon (to 2000) and has fired rockets into Israel.⁵

⁴ PQ 280265 [on [IRGC](#)], 26 July 2019

⁵ Council on Foreign Relations, [What is Hezbollah?](#), updated 26 October 2021. All sources on Lebanon accessed 14 March 2022

What support does Iran provide?

- Financial support: The value of Iran's support is uncertain, but one 2017 estimate was the group [makes one billion dollar annually](#) with the “bulk” coming from Iran. Drug smuggling, donations and “taxation” from the Lebanese diaspora abroad also finance its work.⁶
- Military support: The US State Department reports since 2006 Iran has supplied “thousands” of rockets, missiles, and small arms.⁷

The threat posed by Hezbollah

The World Bank states Lebanon is experiencing one of the world's [worst economic crises since 1850](#).⁸ This has been exacerbated by a political crisis, where an investigation into a Beirut warehouse explosion in 2020, which killed 200 and left 300,000 homeless, has implicated many political elites. The investigation has failed to make progress due to political opposition.⁹

Hezbollah has been one of the groups pushing for the judge leading the investigation to resign, seemingly [concerned they or their political allies may be implicated in the explosion](#). In October 2021, unidentified snipers shot at protesting Hezbollah and Amal supporters (Amal is an allied political movement).¹⁰ There are concerns instability and violence will continue.

Across the Middle East, [Hezbollah has](#):

- Provided military support to the Assad regime in Syria. Up to 10,000 fighters were deployed at any time.
- Trained militant groups in countries including Iraq and Yemen.
- Helped Iran to evade sanctions, including delivering oil to Assad.¹¹
- Posed a threat to Israel: In August 2021, Hezbollah and Israel traded rocket fire—Hezbollah said this was in response to Israeli airstrikes.¹²

The Middle East Institute's [Hezbollah's regional activities and Iran's proxy network](#), July 2021 provides more on the regional reach of Hezbollah.

⁶ Foundation for Defence of Democracies, [Hezbollah: Financial assessment](#), 2017

⁷ US State Department, [Country reports on terrorism 2020: Iran](#), accessed 14 March 2022

⁸ World Bank, [Lebanon sinking into one of the most severe global crises episodes, amidst deliberate inaction](#), 1 July 2021

⁹ Commons Library, [Lebanon: A year on from the Beirut explosion](#), August 2021

¹⁰ Al-Jazeera, [Analysis: How Judge Bitar's probe shook Lebanon leaders](#), 16 October 2021

¹¹ Middle East Institute, [Hezbollah's regional activities and Iran's proxy network](#), July 2021, section 6

¹² AP News, [Hezbollah, Israel trade fire in dangerous Mideast escalation](#), 6 August 2021

Outlook

Hezbollah's political representation and provision of social services and education means it is integrated into the Lebanese political system and society. Its participation in the Syrian civil war is likely to have strengthened its military capabilities.

Foreign actors, including the US, UK and France, have provided support to the Lebanese military as a counterbalance to Hezbollah.¹³

Hezbollah has not been above criticism for the economic crisis that Lebanon has experienced.¹⁴ With further rises in food prices expected due to the conflict in Ukraine, Lebanon may experience further instability and protests (80% of Lebanon's wheat is from Ukraine).¹⁵

Analysis for the Brookings Institute suggests Hezbollah's integration into the Lebanese state at a time the state is weakening poses a serious risk to its standing and popularity.¹⁶

1.2

Syria

The Commons Library briefings, [Syrian civil war: Timeline and statistics](#), CBP9381, and [Syria and its civil war: A future under Assad?](#), CBP9378, provides more on the conflict and its history.

Syria's civil war, 2012—present

In March 2011, President Assad faced a significant challenge to his rule when anti-government protests broke out in Syria, inspired by a wave of pro-democracy uprisings in the Middle East and North Africa. These events were known as the Arab Spring.

The Syrian Government rejected a peace plan presented by the Arab League (an organisation of Arab states in North Africa and the Middle East) and which was backed by the UN. The UK, US and others—including those in Arab Gulf—called for Assad to stand down. By 2012, fighting had spread to the capital Damascus and Syria's second largest city, Aleppo.¹⁷

¹³ Ministry of Defence, [UK donates 100 vehicles to stop terrorists crossing into Lebanon](#), 12 February 2021, Al-Monitor, [US weighs options as Lebanon's allies move to assist military](#), 21 June 2021

¹⁴ Voice of America, [Hezbollah hammered with criticism amid Lebanon's crises](#), 1 September 2021

¹⁵ Al-Monitor, [Lebanon seeks alternative wheat sources, bans some food exports amid war in Ukraine](#), 11 March 2022

¹⁶ Brookings Institute, [Is Hezbollah overplaying its hand inside Lebanon?](#), 19 November 2021

¹⁷ Commons Library, [The Syrian civil war: Timeline and statistics](#), CBP9381, pp2-6 for a timeline. Syria sources all accessed 14 March 2022

Iran's backing for President Assad

Alongside Russia, Iran has been a significant backer of the Assad regime. Syria and Iran [have been close allies since the Iranian revolution in 1979](#) (PDF), with both backing Hezbollah in Lebanon and opposing greater US influence in the region. Cooperation is despite Syria's Sunni-majority population and Iran's Shia government.¹⁸ Syria's ruler, President Assad, is, however, an Alawite Muslim. Although a separate group, it shares some practices with Shia Muslims.¹⁹

Public information is limited, but Iran's support during the last decade is reported to include:

- Financial support, estimated to be around US\$ 6 billion a year by one UN official in 2015.²⁰
- Supplies of oil, valued to be around US\$ 10 billion from 2013 to 2018.²¹
- Military training of pro-government militias by the Quds force, and, according to the US Treasury Department, providing weapons and other equipment.²²
- Together with Lebanese Hezbollah, training the Syrian National Defence Force, a group loyal to Assad.²³

Given the sanctions in place against the Syrian regime and the collapse in Syria's economy over the last decade, Iran's extension of financial support has helped keep the Assad regime afloat.

Militia groups and the IRGC in Syria

The below is not an exhaustive list. The Atlantic Council's [Fact box: Iranian influence and presence in Syria](#) (November 2020) provides a wider survey.

IRGC

- The Quds force was deployed early in the conflict to train and advise the Iranian military and security forces. They have also been deployed on the frontlines.
- Many of those deployed [are from Lebanon or Afghanistan](#).²⁴

¹⁸ Brussels International Center, [The Syrian-Iranian nexus: A historical overview of strategic cooperation](#) (PDF), December 2018

¹⁹ BBC News, [Syrian Alawites distance themselves from Assad](#), 3 April 2016

²⁰ Middle East Monitor, [Iran's ambitious post-war reconstruction in Syria](#), 5 March 2019

²¹ Atlantic Council, [Iran's credit line to Syria: A well that never runs dry](#), 10 February 2020

²² Atlantic Council, [Iran's footprint in Syria](#), 18 September 2013

²³ Atlantic Council, [Iran's footprint in Syria](#), 18 September 2013

²⁴ Washington Institute, [Iran's Afghan Shiite fighters in Syria](#), 3 June 2014

- The IRGC [has bases across the country](#), including close to the capital Damascus and near the borders with Iraq and Israel.²⁵
- The IRGC commander in Syria, Ahmad Madani, [was removed in 2021 reportedly on the request of Assad](#). This may reflect Iran's intentions to maintain good relations with the regime but also the desire of some within it to wind down Iran's military presence in the country.²⁶

Quwat al-Ridha and Baqir Brigade

- Both are Hezbollah-trained and organised pro-Assad militias.
- The close proximity of Lebanon and Syria means there is some cross-over between their personnel. Analysis for the Washington Institute suggests they may operate as part of Lebanese Hezbollah rather than as separate entities.²⁷

Outlook

Assad has a dominant position in Syria and is likely to remain in power. Since 2018, there [has been a rapprochement with other Arab states](#), who had called for him to stand down in 2011 and had expelled him from the Arab League.

The re-engagement of Gulf states with Assad may mean Iranian influence is diluted (Russia has also provided support to his regime). The extension of credit lines and oil from Gulf states is unlikely to occur if Iranian influence remains substantial. For its part, Iran is likely to hope the central Syrian state remains weak to maintain influence for its affiliated militia groups.²⁸

1.3

Iraq

When did Iranian engagement begin?

Since the Iranian revolution of 1979 and Iran-Iraq war in the 1980s, Iran has sought to shape Iraq's politics.

Since 2003, Iranian influence in Iraq has been advanced through support for Shia militias. With the rise of Islamic State/Daesh and loss of territory in Iraq by Iraqi government forces, the militia groups were able to expand in the mid-2010s.²⁹

²⁵ Middle East Institute, [The IRGC has established several bases across Syria, says Arab paper](#), 16 January 2018

²⁶ Al-Monitor, [IRGC Syria commander removed "upon request from Assad."](#) 15 November 2021

²⁷ Washington Institute, [Lebanese Hezbollah's Islamic resistance in Syria](#), 26 April 2018

²⁸ Commons Library, [Syria and its civil war: A future under Assad?](#), CBP9378, section 3

²⁹ US Institute for Peace, [Pro-Iran militias in Iraq](#), 10 November 2021. All Iraqi sources accessed 15 March 2022

Who does Iran support in Iraq, and how?

The US Institute for Peace, [Pro-Iran militias in Iraq](#) (November 2021), provides information on the groups backed by Iran in the country, which include:

- Popular Mobilization Forces (PMF) which were formed in the wake of Daesh/Islamic State's advances in 2014. PMF were legalised by the Iraqi Parliament in 2015, with the aim of supplementing Iraqi armed forces.
- Badr Organization. Formed in 1982 by Iraqi exiles, it was funded and led by IRGC. It has occasionally fought US forces.
- Kataib Hezbollah, which has fought in Syria in support of Assad and has launched rocket attacks at some US bases in Iraq.³⁰

Iran has provided training and funding to these militias.³¹

What activities have the groups undertaken?

Iran works with the groups with the objectives of:

- Strengthening the Shia coalition in Iraq as a political bloc.
- Undertaking military actions against Islamic State/Daesh.
- Attacking US and coalition forces.³² In 2019, the US said at least 608 American troops in Iraq had been killed by the IRGC from 2003 to 2011.³³

US killing of General Qasem Soleimani, January 2020

Qasem Soleimani was the head of the Islamic revolutionary guards' Quds forces from 1998. He was killed in a US drone strike in Baghdad in 2020.

In response to the attack, Iran launched missile strikes against two airbases that housed US and coalition forces. No coalition forces were killed. Iran has continued to vow retaliation. Though a popular figure in Iranian media, his death [has not impacted the direction of Iranian tactics or policy](#).³⁴

In March 2022, Iran [launched missiles towards a US consulate building](#) in Erbil, northern Iraq. This is the first time since January 2020 that Iran has fired missiles directly at US facilities. Iran said it was a response to Israeli attacks on Iranian military personnel in Syria.³⁵

³⁰ US Institute for Peace, [Pro-Iran militias in Iraq](#), 10 November 2021

³¹ Institute for Strategic Studies, [Iran's networks of influence in the Middle East—Chapter four: Iraq](#), November 2019

³² US Institute for Peace, [Pro-Iran militias in Iraq](#), 10 November 2021

³³ Council on Foreign Relations, [Iran's revolutionary guards](#), 6 May 2019

³⁴ Arab Gulf States Institute in Washington, [The Quds force after Suleimani](#), 29 May 2020

³⁵ Al-Jazeera, [Iranian guards claim ballistic missile attacks in Erbil](#), 13 March 2022

Outlook and fallout from Iraq's 2021 election

In the October 2021 parliamentary elections, several pro-Iranian parties with links to the PMF lost significant ground. The [parties rejected the election results](#), arguing they had been manipulated.³⁶

In November, militia groups were judged likely to be responsible for a drone attack against Iraqi Prime Minister Mustafa al-Kadhimi. The Iranian Government condemned the attack, [suggesting its control over friendly militia groups in the country is uncertain](#).³⁷

In December 2021, US troops ended their combat mission in Iraq, having been in the country since 2003.

This may offer a greater opportunity for Iran's affiliated militias. Some analysts have argued that Iran's [ultimate aim is to "Lebanonize" Iraq](#), meaning local militias wield power within a weak central state, in a similar way to Lebanese Hezbollah.³⁸

1.4

Yemen

The Commons Library briefing, [Yemen in 2021/22: Conflict and peace](#), CBP9327, provides more on Yemen's conflict and the role of external actors.

Conflict in Yemen, 2014-present

Fighting in Yemen [has been ongoing since 2014](#). The country is now divided between the Houthi rebels in the north of the country, which includes the Yemeni capital, Sana'a, and the internationally recognised Government of President Abd-Rabbu Mansour Hadi, which controls much of the south and east of the country.

Iran is not the only foreign actor engaged in Yemen: In 2015, a Saudi-led coalition, which included Kuwait, the United Arab Emirates (UAE), Qatar, and Bahrain, intervened in support of the internationally recognised Hadi Government.³⁹

³⁶ Al-Jazeera, [Iraq's supreme court ratifies October election results](#), 27 December 2021

³⁷ Al-Jazeera, [Is Iran losing some of its grip on Shia militias in Iraq?](#), 12 November 2021

³⁸ Council on Foreign Relations, [Iran-backed militias in Iraq poised to expand influence](#), 13 October 2020

³⁹ Commons Library, [Yemen in 2021/22: Conflict and peace](#), CBP9327, pp1-12. All Yemen sources accessed 10 March 2022

Who are the Houthis?

In September 2014, the Houthis, known officially as Ansar Allah, launched an attack on the capital Sana'a, capturing it and much of Northern Yemen.

The Houthis are Shia Muslims, as are most Iranians. Since 2004, they [have opposed Yemen's Sunni-majority government](#). Most Gulf states are also majority-Sunni countries.⁴⁰

The Houthis were designated a terrorist group under the Trump Administration (a status removed under Biden). The UN has argued the designation of the group as terrorists threatened to disrupt the flow of aid and commercial commodities into Yemen.⁴¹

Iranian backing for the Houthis

The US and Saudi Arabia judge the Houthis to [receive military support from Iran](#).⁴² The precise nature of support is uncertain, but [judged likely to include](#):

- Anti-tank missiles, mines, and short-range ballistic missiles.
- Together with Lebanese Hezbollah, training Houthi fighters in military tactics and weaponry.
- Cyber operations against Saudi Arabian infrastructure, including oil.⁴³
- Several millions of dollars in finance.⁴⁴

The UK Government says there is “extensive evidence of Iranian military support to the Houthis.”⁴⁵

In 2017, the head of Iran's IRGC said the country [provided only “advisory and spiritual support”](#) at the request of the Houthis.⁴⁶ Some analysts have also argued Iran's military support and control over the group [is limited](#).⁴⁷

⁴⁰ Wilson Center, [Who are Yemen's Houthis?](#), May 2018

⁴¹ Commons Library, [Yemen in 2021/22: Conflict and peace](#), CBP9327, p9

⁴² Reuters, [Iran provides Yemen's Houthis 'lethal' support, US official](#), 21 April 2021.

⁴³ Center for Strategic & International Studies, [The Iranian and Houthi war against Saudi Arabia](#), 21 December 2021

⁴⁴ US Treasury Department, [Treasury sanctions network financing Houthi aggression and instability in Yemen](#), 10 June 2021

⁴⁵ PQ 106672 [on [Iran: Ansar Allah](#)], 24 January 2022

⁴⁶ Middle East Institute, [IRGC admits aiding Houthis against Saudi-led coalition in Yemen](#), 27 November 2017

⁴⁷ Al-Jazeera, [The limits of Iran's influence on Yemen's Houthi rebels](#), 8 March 2022

Houthi attacks on Saudi Arabia and the UAE

The Houthis have [used missiles and drones to attack several sites in Saudi Arabia](#), including oil refineries and military installations. The US estimates there were 240 such attacks from January to August 2021.

January and February 2022 also saw attacks launched against the UAE. Attacks against Abu Dhabi killed three people on 17 January and destroyed fuel facilities. The UAE was also subject to drone strikes, potentially from Iranian-aligned militias in Iraq.⁴⁸

The UK believes the weapons used against the UAE [originate in Iran](#).⁴⁹

Outlook

The conflict in Yemen continues, and while there is some movement in the frontlines, it has essentially stalemated.

Peace talks have stalled, making it likely tensions between the Saudi-led coalition, the Houthis, and Iran will continue.

⁴⁸ Commons Library, [Yemen in 2021/22: Conflict and peace](#), CBP9327, pp12-13

⁴⁹ PQ 117743 [on [UAE: Ansar Allah](#)], 9 February 2022

2 Concerns for Iranian influence

2.1 UK and US statements

UK Government

The UK Government has “long been concerned” at Iran’s “destabilising regional behaviour,” including that of the IRGC.⁵⁰ It says:

Such activity compromises the region’s security and ability to prosper and it escalates high tensions. It is for this reason that we have over 200 UK sanctions listings in place against Iran, including the IRGC in its entirety, and support the enforcement of UN prohibitions on the proliferation of weapons to non-state actors.⁵¹

The Government has also criticised Iran for the attack committed on the oil tanker MV Mercer Street in 2021,⁵² and called for the country to make full reparations for the downing of Ukraine International Airlines flight PS752 near Tehran in January 2020.⁵³

US Government

In 1984, the US designated Iran as a “state sponsor” of terrorism—one of only four countries to be so. This places restrictions on US assistance, a ban on defence exports, controls over dual-use items, and financial restrictions.⁵⁴

Dual-use items are goods which can be used for both a military and civil purpose (such as electronics, lasers, or chemicals).

The US argues that [Iran’s actions create instability in the region](#), and its use of proxies and local militia groups provide deniability “in an attempt to shield it from accountability.”⁵⁵

⁵⁰ PQ 107632 [on [Iran: Arms trade](#)], 2 November 2020. All sources in section 2 accessed 11 March 2022

⁵¹ HL Deb, [19 January 2022](#), c1639

⁵² Foreign, Commonwealth and Development Office (FCDO), [UK condemns deliberate attack on oil tanker by Iran](#), 1 August 2021

⁵³ FCDO, [Two years since flight PS752 was downed: Short statement](#), 6 January 2022

⁵⁴ US State Department, [State sponsors of terrorism](#)

⁵⁵ US State Department, [Country reports on terrorism 2020: Iran](#), December 2021

2.2

Israel

Since 1979, relations between Israel and Iran have been poor (Iran does not recognise Israel). Tensions between the two countries have grown in the following decades, with them taking opposing sides in regional conflicts.

This has included conflict between Hezbollah and Israel in Lebanon, attacks by Israel against Hezbollah bases in Syria following Iran's backing for the Assad regime, and Iran's support for Hamas in Gaza.⁵⁶

The US Institute for Peace, [Iran's confrontation with Israel over four decades](#) summarises relations from 1979 to 2021.

2.3

Gulf states

In its December 2021 meeting, the Gulf Cooperation Council (Saudi Arabia, UAE, Kuwait, Bahrain, Oman and Qatar) [accused Iran of "fomenting sectarian strife" in their countries](#) and supporting "terrorism" in Bahrain. In addition, it criticised Iran's alleged support for groups in Syria, Iraq, and Yemen.⁵⁷

Bahrain, for example, has said it has detained terrorist groups with weapons that originated in Iran. The Sunni rulers of the country, which is majority Shia, has accused Iran of supporting the pro-democracy protests in the country in 2011—something Iran denies.⁵⁸ However, Iran's influence in Bahrain is far less developed and direct than in other states. Since 2011, the most prominent acts by groups linked to Iran in Bahrain have been ones of terrorism.⁵⁹

Gulf states have conducted negotiations with Iran in recent years, suggesting an attempt to bridge divides. Section 4 provides more.

⁵⁶ US Institute for Peace, [Iran's confrontation with Israel over four decades](#), 19 May 2021

⁵⁷ Al-Monitor, [Gulf states cooperate on defence, Iran and economic integration at summit](#), 15 December 2021

⁵⁸ Al-Monitor, [Bahrain says it thwarted terror attack, seized weapons from Iran](#), 22 November 2021

⁵⁹ Atlantic Council, [Iran's long game in Bahrain](#), 18 December 2017, p8

3 Limiting Iranian influence and power

3.1 JCPOA nuclear deal

The UK was one of the instigators of the process that led to the Joint Comprehensive Plan of Action (JCPOA) nuclear deal with Iran in 2015. Together with Iran, China, France, Germany, Russia and the US, the deal sought to limit Iran's nuclear enrichment programme in response to concerns Iran was seeking to develop nuclear weapons.

Iran accepted limits on its nuclear programme in return for a lifting of many financial and economic sanctions.⁶⁰

Concerns that Iran's actions abroad were not limited

No restrictions on extending Iran's influence abroad

The 2015 agreement did not include measures on Iranian foreign policy and, as described above, Iran has continued to support non-state actors across the region.

One analyst, writing for the Brookings Institute, argued that the IRGC and Hezbollah were likely to get most of the extra money available to the Iranian Government from the lifting of sanctions.⁶¹

Gulf states have called for the deal, if re-established, to be widened, in order to address their concerns over Iran's support for proxy groups in the Middle East, threats to maritime traffic in the Persian/Arabian Gulf, and Iran's ballistic missile program. Iran opposes any expanded agreement.⁶²

Saudi Arabia previously opposed the 2015 Nuclear Agreement, arguing the lifting of sanctions allowed Iran to expand other activities that threaten Saudi power, such as its support for groups in Syria, Yemen and Lebanon.⁶³

In 2020, the Commons Foreign Affairs Committee similarly argued that the UK "must learn the lessons" of the 2015 agreement and look towards a broader

⁶⁰ Arms Control, [JCPOA at a glance](#), updated March 2022. All sources in this section accessed 15 March 2022

⁶¹ Brookings Institute, [Beneficiaries of the Iran deal: The IRGC and Hezbollah](#), 17 September 2015

⁶² Al-Monitor, [Gulf states want Iran talks deal to address Tehran's missile program, support for proxy groups](#), 16 June 2021

⁶³ Brookings Institute, [What the Iran deal has meant for Saudi Arabia and regional tensions](#), 13 July 2021

[agreement which addresses regional security](#), particularly Iran's missile programme.⁶⁴

Ballistic missiles

The JCPOA did not cover conventional weapons, including ballistic missiles.

Ballistic missiles are often the vehicle for nuclear warheads and the International Atomic Energy Agency has judged that Iran was researching nuclear weapon technology until 2009.

Iran maintains what is estimated to be the "[largest ballistic and cruise missile force in the Middle East.](#)" Some of its missiles are capable of striking targets 2,500 kilometres from Iran (reaching Israel, the Balkans and northeast Africa).⁶⁵

President Trump withdraws from agreement, 2018

In 2018 the US withdrew from the JCPOA, arguing it had failed to curtail Iran.

The following year, Iran began exceeding the agreed-upon limits on its use of uranium.⁶⁶

Talks to restore the agreement, 2021-2022

Both Iran and the US agreed to negotiate a new agreement following Biden's inauguration as President in January 2021. The talks are reportedly in their final stage (February/March 2022). Section 4 provides more.

3.2

Sanctions and arms embargoes against Iran and its affiliates

The UK and others implement sanctions and arms embargoes against Iran and its affiliated actors in the Middle East. In the case of the UK:

- There are over 200 continuing EU sanctions in place against Iran, including against the IRGC.
- UN prohibitions are in place to ban the delivery of weapons to Lebanese Hezbollah under [UN Security Council Resolution 1701 \(2006\)](#).

⁶⁴ Foreign Affairs Committee, [No prosperity without justice: The UK's relationship with Iran](#), December 2020, HC 415, 2019-20, para 35

⁶⁵ Center for Strategic & International Studies, [Containing Tehran: Understanding its power and exploiting its vulnerabilities](#), 2020, pp23, 25

⁶⁶ Council on Foreign Relations, [What is the Iran nuclear deal?](#), updated 29 June 2021

- [UN Security Council Resolution 1546 \(2004\)](#) (PDF) prohibits the proliferation of weapons to Iraqi militia groups.
- [UN Security Council Resolution 2216 \(2015\)](#) prohibits the supply of weapons to the Houthis in Yemen.
- An EU/UK arms embargo against Iran remains in place.
- UN restrictions on ballistic missiles capable of launching nuclear weapons under [UN Security Council Resolution 2231 \(2015\)](#) (PDF) remain.⁶⁷

Details on the above-cited prohibitions, which also include financial restrictions, can be found at:

- Foreign, Commonwealth and Development Office (FCDO), [UK sanctions relating to Iran \(nuclear weapons\)](#).
- FCDO, [UK sanctions relating to Iran \(human rights\)](#).
- Consilium Europa, [EU restrictive measures against Iran](#)

A UN arms embargo against Iran expired in 2020. The UK expressed concern at the decision, which was planned to take place five years after the JCPOA was agreed, but said no consensus could be agreed to renew it.⁶⁸

Details on US sanctions against Iran in place since 1979 can be found in the Congressional Research Service paper, [Iran sanctions](#). Appendix A of the document provides a short comparison of US, UN and other sanctions against Iran.

⁶⁷ PQ 38471 [on [Iran: Terrorism](#)], 9 September 2021

⁶⁸ Stockholm International Peace Research Institute, [UN arms embargo on Iran](#); PQ HL9820 [on [Iran: Arms embargo](#)], 22 October 2020

4 What might happen in 2022?

4.1 How soon may an agreement on Iran's nuclear programme be reached?

Talks in Vienna to restore the 2015 agreement are reported to be in their final stage, and Iranian, European, British and American negotiators have expressed optimism that an agreement will soon be reached.

Iran's [release of imprisoned British-Iranian dual nationals](#) in mid-March 2022 may also suggest talks are proceeding well.⁶⁹

There have been some negative statements, however. On 10 March, Iran said the US [had made "unacceptable proposals" on curtailing Iran's wider activity](#) in the region.⁷⁰

Negotiations have been complicated by the conflict in Ukraine. On 11 March 2022, the EU foreign policy representative, Josep Borrell, said [talks would be paused due to "external factors."](#) This is likely to be a reference to recent Russian demands that its trade with Iran would not be affected by sanctions imposed against it by Western countries in response to its actions in Ukraine.⁷¹

However, it was reported on 15 March that Russia had [withdrawn its demand for a wider exemption](#), partly in response to Iranian diplomatic efforts.⁷²

Will the agreement curtail Iran's activities in the region?

The Gulf Cooperation Council, constituted of Saudi Arabia, the UAE, Kuwait, Bahrain, Oman and Qatar, have called for the deal, if re-established, [to be widened](#), in order to address its concerns over Iran's regional activities.⁷³

Iran's Supreme Leader, Ayatollah Ali Khamenei, said in March 2022 that matters of "national strength"—such as the country's wider military

⁶⁹ FCDO, [Foreign Secretary statement on Iran](#), 16 March 2022, accessed 16 March 2022

⁷⁰ Al-Jazeera, [Iran pressures US over nuclear talks delay](#), 10 March 2022. Unless stated all below sources accessed 11 March 2022

⁷¹ Reuters, [External factors force pause in Iran nuclear talks, EU says](#), 11 March 2022.

⁷² Al-Monitor, [Iran nuclear talks overcome Russian wrench in gears](#), 15 March 2022, accessed 16 March 2022

⁷³ Al-Monitor, [Gulf states want Iran talks deal to address Tehran's missile program, support for proxy groups](#), 16 June 2021

capabilities and links to armed groups abroad—[were not a matter for negotiation](#).⁷⁴

The UK Government has said “both Iran’s nuclear programme and its destabilising behaviour in the region need to be addressed,” and that, from a UK perspective, stronger restrictions on the development of ballistic missiles would have been a “[desirable feature](#)” of the 2015 agreement. However, limiting Iran’s nuclear programme remained the priority.⁷⁵

4.2

What is the outlook for Iran’s regional relations?

Iran will remain in competition with many powers in the region, regardless of the range of any agreement. Countries will continue to compete for influence in their neighbours.

Uncertainty about US commitment to the region may be one factor pushing countries to re-engage with Iran to reduce tensions. For example, the Biden Administration have removed some missile defences from the region and withdrawn support for the Saudi-led offensive in Yemen.⁷⁶

Re-engagement with Saudi Arabia?

There have been signs that some degree of reconciliation may take place between Iran and Saudi Arabia. [Diplomatic relations broke down](#) between the countries in 2016 following an attack on the Saudi embassy in Iran and Saudi Arabia’s execution of a Shia religious leader convicted of terrorism charges.⁷⁷

In 2021, the two countries [held direct talks in Baghdad](#). These reportedly focused on the Yemen conflict.⁷⁸

In early 2021, Saudi Arabia had called for a ceasefire in Yemen, where it backs the Hadi Government against Iranian-backed Houthi rebels. However, in 2022 the UN said participants in the war [were “doubling down” on military operations](#), making any peace unlikely.⁷⁹

In March 2022, the Saudi Crown Prince, Mohammed Bin Salman, said that a path to co-existence with Iran was needed:

⁷⁴ France 24, [Iran says US made “new demands” in nuclear talks](#), 10 March 2022

⁷⁵ FCDO, [No prosperity without justice: The UK’s relationship with Iran: Government response to \[Foreign Affairs\] Committee’s fifth report](#), 16 February 2021, sections 2 and 7

⁷⁶ Commons Library, [The Gulf in 2021](#), CBP 9284, section 4.1

⁷⁷ Al-Jazeera, [Saudi Arabia cuts diplomatic ties with Iran](#), 4 January 2016

⁷⁸ Al-Monitor, [Iran’s \[Foreign Minister\] says Saudi Arabia talks have progressed “good distance.”](#) 7 October 2021

⁷⁹ Commons Library, [Yemen in 2021/22: Conflict and peace](#), CBP 9327, pp17, 19

They [Iran] are a neighbour forever, we cannot get rid of them and they cannot get rid of us. So its better for both of us to work it out and look at ways we can coexist.⁸⁰

Talks due to be held in March 2022 in Baghdad were suspended by Iran. No reason was given but the decision may be a response to Saudi Arabia's execution of 81 people for terrorism-related offences. 41 Shia Muslims were reportedly among those executed—partly echoing the events of 2016.⁸¹

The Biden Administration [have welcomed direct talks](#) between Saudi Arabia and Iran as a means of reducing regional tensions.⁸²

Iran's relations with other Gulf states

Other Gulf states have had direct talks with Iran. These include the UAE and Iranian officials, who [met in both 2020 and 2021](#) to discuss the pandemic and security issues.⁸³ Qatari and Iranian foreign ministers have also met to discuss unspecified regional developments.⁸⁴

Further reading on Gulf-Iranian relations

- International Institute for Strategic Studies, [The fragile diplomacy of Saudi-Iranian de-escalation](#), December 2021. Describes some of the challenges ahead in 2022, such as the nuclear agreement and Yemen conflict.
- Royal United Services Institute, [The Gulf states and the Iran nuclear deal](#), November 2021. Argues Gulf states are unlikely to be enthusiastic for a renewed JCPOA and are hoping for renewed US engagement once agreed.
- International Crisis Group, [A time for talks: Toward dialogue between the Gulf Arab States and Iran](#), August 2021. Argues external actors to the region should help facilitate talks between Iran and the Gulf states.

⁸⁰ France 24, [Saudi Crown Prince says Israel "potential ally."](#) 3 March 2022

⁸¹ Reuters, [Iran suspends talks with Saudi, slams Riyadh's executions](#), 13 March 2022, accessed 15 March 2022

⁸² CNBC, [Washington welcomes news of direct talks \[...\]](#), 4 October 2021

⁸³ Al-Monitor, [UAE security official meets Iranian president in Tehran](#), 7 December 2021

⁸⁴ Al-Jazeera, [Qatar's foreign minister set to visit Iran to meet top officials](#), 26 January 2022

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