Iran makes 'substantial' nuclear offer in return for US lifting sanctions

Plan would allow enhanced, permanent nuclear inspections
Foreign minister: ‘It’s not about photo ops. We want substance’

Julian Borger in New York
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Iran has offered a deal with the US in which it would formally and permanently accept enhanced inspections of its nuclear programme, in return for the permanent lifting of US sanctions.

The offer was made by the Iranian foreign minister, Mohammad Javad Zarif, on a visit to New York. But it is unlikely to be warmly received by the Trump administration, which is currently demanding Iran make a range of sweeping concessions, including cessation of uranium enrichment and support for proxies and allies in the region.

Zarif insisted, however, that his offer was “a substantial move”.

Mohammad Javad Zarif at the UN on Thursday. He said: ‘If they [the Trump administration] are putting their money where their mouth is, they are going to do it.’ Photograph: Richard Drew/AP

Iran has offered a deal with the US in which it would formally and permanently accept enhanced inspections of its nuclear programme, in return for the permanent lifting of US sanctions.
“It’s not about photo ops. We are interested in substance,” he told reporters at the Iranian mission to the UN in New York on Thursday. “There are other substantial moves that can be made.”

He said: “If they [the Trump administration] are putting their money where their mouth is, they are going to do it. They don’t need a photo op. They don’t need a two-page document with a big signature.”

Iran has faced an steadily tightening US-driven oil embargo and severe banking sanctions since May last year, when Donald Trump withdrew the US from the 2015 multilateral nuclear deal with Iran known as the Joint Comprehensive Programme of Action (JCPOA).

The embargo has triggered a standoff in the Gulf that has escalated dramatically in recent months: on Thursday, Trump said a US warship, the USS Boxer, had shot down an Iranian drone that had come within a kilometre of the vessel.

“The drone was immediately destroyed,” the president said. “This is the latest of many provocative and hostile actions by Iran against vessels operating in international waters. The United States reserves the right to defend our personnel, facilities, and interests.”

Earlier in the day, Iran said it had seized a foreign-owned vessel suspected of being used for oil smuggling out of Iran.

Zarif dismissed the seizure as a routine marine policing matter.

He said: “It’s not a tanker. It’s a small ship carrying a million litres, not a million barrels, of oil. We do it every other day. These are people who are smuggling our fuel. This is ... one of the things that we do in the Persian Gulf, because of the heavy subsidies that we provide for our own fuel products.”

Zarif credited Trump with “prudence” for calling off missile attacks last month in reprisal for the downing of a US surveillance drone, and said that gave him confidence that diplomatic progress is possible.

He said: “I believe we were few minutes away from a war. Prudence prevailed and we’re not fighting. So that gives reason for us to be optimists. If we work, if we are serious, then we can find a way forward.”

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Mohammad Javad Zarif
Iran’s supreme leader, Ali Khamenei, has rebuffed overtures for direct talks with Trump, citing US bad faith over the JCPOA, but Zarif signaled on Thursday that Iran was willing to do a deal that did not necessary involve the US returning to the JCPOA, Tehran’s official position until now.

Zarif noted that in 2023, under the JCPOA, Iran’s parliament, the Majlis, was supposed to ratify the Additional Protocol of the International Atomic Energy Agency (IAEA), a voluntary agreement that allows IAEA inspectors extensive access in Iran to ensure the country does not have a covert nuclear weapons programme. As part of the JCPOA, Iran already observes the Additional Protocol. Ratification by the Majlis would make it a more permanent commitment.

At the same time, under the JCPOA, the US Congress was due to lift sanctions on Iran.

Zarif proposed that the Iran and US take those steps immediately.

“If Trump wants more for more, we can ratify the Additional Protocol and he can lift the sanctions he set,” Zarif said. “He has said that he will take any measure to Congress – fine. Lift the sanctions and you’ll have the Additional Protocol sooner than 2023.”

The state department has yet to respond to Zarif’s proposal, but its official position is that Iran has to fulfil a wide-ranging list of 12 conditions, including curtailing its involvement in regional conflicts, in order to win sanctions relief. Iran has rejected those demands.

Zarif also denounced the seizure of a tanker carrying Iranian oil by UK forces in Gibraltar, which said was carried out on behalf of the US.

“That’s a violation of international law,” he said.

The UK has said the tanker, the Grace 1, would be released if Iran could demonstrate it was not heading for Syria, which is banned by the EU. Zarif said it was not bound for Syria but he could not specify who the customer was, as the buyer would consequently be subject to US sanctions.

He said: “We won’t tell you, because if we told you where it was going, next time you wouldn’t be able to sell our oil. We can’t be transparent. We told you it wasn’t going going to Syria – but the rest is none of your business. Because if we
told you it would be less one less outlet to buy it to get money to feed our people.”

Zarif also shrugged off a report that Senator Rand Paul was seeking to become a secret emissary between Trump and the Iranian leadership, but would not confirm or deny he would be meeting Paul in his capacity as a member of Congress on his current visit to the US.

“I don’t deal with [secret] emissaries,” the foreign minister said. He added: “I doubt that anybody will be designated as an emissary by President Trump.”

He said the report in Politico that Paul, a libertarian anti-war Republican, could carry out secret talks was “overblown”

“This is media stuff. I mean, these may be good for a spy movie,” Zarif said. But he also said: “I’d meet with members of Congress in their own personal capacity as influential members of American society and representatives of American people.”

E.U. Ministers, Scrambling to Save Iran Nuclear Deal, Play Down Breaches
BRUSSELS — Scrambling to save the nuclear agreement with Iran, European foreign ministers declared Monday that Iranian breaches so far were not serious enough to take steps that could lead to reimposed international sanctions and a collapse of the accord.

That conclusion, reached at a meeting in Brussels, effectively extended a lifeline for the 2015 nuclear agreement in defiance of pressure by the Trump administration. The agreement has been increasingly imperiled since the United States abandoned the accord more than a year ago and renewed its own sanctions on Iran.

The European Union ministers reiterated their view that the agreement was the only option for curbing Iran’s nuclear program.
In recent weeks Iran has exceeded the amount and purity of the uranium it is permitted under the accord, transgressions confirmed by the International Atomic Energy Agency. The Iranians have said they intend to breach the limits even more unless they get what the accord promised Iran: economic relief.

Triggering the dispute-resolution article in the accord would start a process that could lead to the restoration of all the sanctions placed on Iran. That, many analysts say, would almost certainly doom the agreement.

The European reluctance to use the provision came despite pressure from both the United States and Israel, which say Iran’s breaches are a signal of the country’s intent to move toward the capacity to make an atomic bomb. Under the accord, Iran has vowed to never seek such a weapon.

“For the time being, none of the parties to the agreement has signaled their intention to invoke this article,” Federica Mogherini, the European Union’s top foreign policy official, told a news conference after the foreign ministers meeting in Brussels.

Ms. Mogherini said that “none of them, for the moment, for the time being, with the current data we have had” believe that there has been “significant noncompliance.”

The conclusion was quickly denounced by Prime Minister Benjamin Netanyahu of Israel, whose government regards Iran as the country’s most serious security threat.

“The European Union’s response to Iranian violations reminds me of the European appeasement of the 1930s,” Mr. Netanyahu said in a statement reported by Israeli news media. “There are probably some in Europe who will not wake up until Iranian missiles fall on European soil. Then it probably will be too late.”
Ms. Mogherini, echoing the view of the meeting’s participants, said that the nuclear deal was still the only available option.

“The deal has avoided Iran developing a nuclear weapon, and today everyone recognizes that there is no alternative,” she said. “This is the most dramatic and difficult stage.”

Jeremy Hunt, Britain’s foreign secretary, said he saw little time left to save the deal.

“Iran is still a good year away from developing a nuclear bomb,” Mr. Hunt said. “There is still some closing, but small window to keep the deal alive.”

The European participants in the deal — Britain, France and Germany — issued a joint statement Sunday evening that said they were still committed to it. They expressed regret that the United States had reimposed sanctions on Iran “even though that country had implemented its commitments under the agreement.”

“We believe that the time has come to act responsibly and to seek ways to stop the escalation of tension and resume dialogue,” the three countries said in the statement.

But the Iranian foreign minister, Mohammad Javad Zarif, said that he saw little reason to be optimistic that the Europeans could save the agreement — known formally as the Joint Comprehensive Plan of Action — by alleviating the punishing effects of American sanctions against Iran.

“The Europeans claim they were willing to maintain the J.C.P.O.A., but we have not seen Europe yet to be ready for an investment,” he said on Sunday after arriving in New York for a meeting of the United Nations, Iran’s state-run Press TV reported.

Mr. Zarif, who was educated in the United States, speaks colloquial
English and has extensive contacts in Western media and foreign policy circles, has long vexed the Trump administration, which accuses him of spreading lies. It has considered placing sanctions on Mr. Zarif, a move that would sever an important diplomatic conduit with the United States.

In a sign of the antipathy, administration officials granted Mr. Zarif a restrictive visa that limits him to the United Nations headquarters, the Iranian Mission and the Iranian ambassador’s residence.

“They are worried about Mr. Zarif’s influential work trips and his media interviews, and the impact it will have on American public opinion,” said Seyed Abbas Mousavi, an Iran Foreign Ministry spokesman.

[Here are excerpt from an interview Mr. Zarif gave The New York Times in which he discussed the deal.]

Iran has sent mixed signals about its intentions in recent days, with President Hassan Rouhani expressing a willingness to open new talks with Washington — once sanctions are removed.

“We are always ready for negotiation,” he said in a televised speech. “The moment you stop sanctions and bullying, we are ready to negotiate.”

But a spokesman for the Atomic Energy Organization of Iran, Behrouz Kamalvandi, said Monday that unless Europe could salvage the deal, his country would return its nuclear program to its status before the accord. Its uranium stockpile was much larger then, and some was much more highly enriched.

Tensions with Tehran have intensified since President Trump withdrew the United States from the accord in May 2018
and reimposed American economic sanctions that had been lifted under the deal. Mr. Trump imposed additional sanctions this year, trying to stop Iran’s ability to sell oil, a pillar of its economy.

Britain, France and Germany have made a commitment to ease the impact of American sanctions, but so far have not found an effective way.

The centerpiece of their efforts is the creation of a kind of exchange that would allow European companies to do business with Iran in a way that bypasses the American banking system. Tehran has said that the system, known as Instex, is inadequate.

Arriving at the meeting of Europeans on Monday, Josep Borrell, the Spanish foreign minister and nominee to become the European Union’s foreign affairs chief, said, “We will do what we can to guarantee that there is no economic embargo against Iran and that European companies can continue working there.”

“It’s very difficult because U.S. laws applied in an extraterritorial manner, in a way that we don’t recognize, make it difficult,” he said, adding that Spain would join the Instex mechanism.

Despite the renewed American sanctions, Iran complied with its commitments under the nuclear deal for a year after Mr. Trump’s withdrawal. But the confrontation has escalated since the American president imposed further sanctions. Iran warned that it would stop complying with the deal’s caps on its enriched uranium stockpile unless the Europeans made good on their promises. The European countries were unable to deliver, and Iran surpassed the limits this month.

In May and June, six tankers were damaged near the Strait of Hormuz, the vital waterway that carries much of the world’s oil, and
American officials said the ships had been attacked by Iran.

Last month, Iran shot down a United States surveillance drone, which American officials said was over international waters but which Tehran said had violated Iranian airspace. Mr. Trump ordered a military strike in retaliation, but then retracted the order.

This month, the British authorities seized an Iranian tanker near Gibraltar that they said was carrying oil to Syria, in violation of European Union sanctions on that country. Days later, London said that one of its naval ships had to chase away three Iranian boats that had been trying to impede a British tanker.

Britain offered on Saturday to return the Iranian ship if the oil were sent somewhere other than Syria.

Iran nuclear deal: Government announces enrichment breach

17 minutes ago
Iranian officials announced they would breach the enrichment limit within a matter of hours. Iran has announced it will break a limit set on uranium enrichment, in breach of the landmark 2015 deal designed to curb its nuclear ambitions.

Deputy foreign minister Abbas Araqchi said Iran still wanted to salvage the deal but blamed European countries for failing to live up to their own commitments. The US unilaterally withdrew from the agreement in 2018. It has since reimposed tight sanctions affecting the Iranian economy.

**Why does the enriched uranium stockpile matter?**

**Iran nuclear crisis in 300 words**

**The nuclear fuel cycle**

The Iranian announcement marks the latest breach of the accord.

In May, Iran announced it would step up its production of enriched uranium, which can be used to make fuel for reactors but also for nuclear weapons. The country has already stockpiled more enriched uranium than permitted under the terms of the deal.

Iran has strongly denied that it has any intention of building nuclear weapons.

**What has Iran announced?**

On the anniversary of the US withdrawal, Iran gave a 60-day deadline to the remaining signatories of the deal - China, France, Germany, Russia and the UK - to protect it from US sanctions.

Speaking at a press conference on Sunday at the end of that deadline, Mr Araqshi said Iran would start enriching uranium above a concentration of 3.67% within a few hours, to provide fuel for its Bushehr power plant.
grade uranium is 90% enriched or more. However, Iran's Atomic Energy Organisation spokesman Behrouz Kamalvandi said that Iran would not be making fuel for its Tehran reactor, which requires a concentration of 20%.
"We will enrich uranium based on our needs," he said. "Right now we don't need to enrich uranium for the Tehran reactor."
Mr Araqchi said Iran would keep reducing its commitment to the 2015 deal every 60 days.
But he also stressed that diplomacy was still an option, provided the sanctions are lifted.
A spokesman for the UN's nuclear watchdog, the International Atomic Energy Agency (IAEA), said their inspectors would report back to headquarters "as soon as they verify the announced development".

Analysis
By Jonathan Marcus
Defence correspondent

The demise of the 2015 nuclear accord to contain Iran's nuclear programme seems to be coming ever closer.
Iran's policy of progressive breaches of the agreement's terms is seen in Tehran as a way to pressure the Europeans to relieve the impact of US economic sanctions. But there is little they can do in practical terms to mitigate Iran's dire economic situation. The Europeans want the deal to survive but are caught between Tehran and Washington.
This has been a slow-motion diplomatic car crash - ever since the US walked out of the agreement a year ago.
The French President Emmanuel Macron's telephone conversation with his Iranian counterpart yesterday bought a little more time for consultations. The Europeans are struggling to postpone the moment when they have to declare the nuclear deal dead. But at some point, if Iran continues to chip away at its limits and restrictions, they may have little choice.

What's been the reaction?
Israeli Prime Minister Benjamin Netanyahu said the announcement was a "very, very dangerous step" for Iran, and repeated his calls for France, Germany and the UK to impose sanctions.
Israel's energy minister Yuval Steinitz had already criticised the move, saying that while the increase was "moderate", Iran had "begun its march... toward nuclear weaponry".
The announcement comes a day after French President Emmanuel Macron spoke to Iranian President Hassan Rouhani and expressed his "strong concern" about what would happen if the agreement was abandoned.

A French statement said the two leaders had agreed "to explore by 15 July the conditions for the resumption of dialogue between all parties".

Mr Rouhani called on European countries to act now to save the deal.

What is the nuclear deal?
Six countries signed the Joint Comprehensive Plan of Action in 2015 to curb Iran's nuclear programme.

Tehran agreed to let in international inspectors and to limit its nuclear activities, in exchange for an end to tight economic sanctions.

Under the deal, Iran is only permitted to produce low-enriched uranium, which has a 3-4% concentration of U-235, and can be used to produce fuel for nuclear power plants.

The deal also restricted Iran to stockpiling no more than 300kg (661lb) of the low-enriched uranium.

According to the Arms Control Association, a stockpile of 1,050kg could be further enriched later into enough material to build one bomb,
Iran will enrich uranium in a further breach of the nuclear deal

Islamic Republic plans to produce uranium at 5% enrichment as tensions with the US build

**James Tapper**
Sat 6 Jul 2019 22.30 BST

Iran is about to break the terms of its nuclear deal for a second time by announcing plans to enrich uranium beyond the levels allowed under the terms of its 2015 nuclear deal.
In an escalation of the dispute over US sanctions, the Iranian chief nuclear negotiator Abbas Araghchi was expected to announce on Sunday that Iran will produce uranium at 5% enrichment, above the cap of 3.67%, according to local reports.

Iran revealed its first breach of the deal last week, announcing that it had begun stockpiling low-enriched uranium beyond the 300kg limit allowed, a year after the US president Donald Trump withdrew from the deal and reimposed sanctions.

“The main announcement will be the increase of the level of enrichment to 5% from 3.67% that we agreed under the deal,” an Iranian official told Reuters.

The deal was aimed at making it harder for Iran to produce a nuclear weapon. At one stage Iran had more than 10,000kg of uranium, with some of it enriched to 20%. A nuclear bomb requires uranium at 90% enrichment.

Iran has tried to put pressure on the European signatories to the deal to combat US sanctions, which it says are a form of “economic warfare”. Britain, France and Germany have been trying to persuade Iran for months to keep to its commitments to the deal, but Tehran has complained they are not doing enough.

Sanctions are having a serious effect on the Iranian economy and Iran’s chief demand is that the country be permitted to export crude oil at the same levels as before the US reimposed sanctions. Exports have fallen to about 300,000 barrels per day, compared with the 2.5 million barrels Iran was selling in April 2018.

Ali Akbar Velayati, who is the supreme leader Ayatollah Ali Khamenei’s adviser on international affairs, said Iranian officials were unanimous in their decision to raise the level of uranium enrichment.

“We need uranium enriched to 5% for use in the Bushehr [power plant] and this is a completely peaceful purpose,” Velayati said.

The US has been building up its military presence in the Middle East, sending an aircraft carrier, thousands of troops and B-52 bombers. Last month a Japanese oil tanker was attacked near the strait of Hormuz, and Iran shot down a US military drone.
Iran to boost uranium enrichment level in new challenge for nuclear pact

Geneva (Reuters) - Iran said on Wednesday it will soon boost uranium enrichment beyond the level set in the landmark 2015 nuclear deal it struck with world powers, in an announcement that is likely to further enflame tensions with the United States.
President Hassan Rouhani said Iran would after July 7 enrich uranium beyond a fissile purity of 3.67%, a level which is deemed suitable for electricity generation and is the maximum allowed by the deal.

It is the second time this week that Tehran has announced a breach of the nuclear accord, which has been in trouble since President Donald Trump pulled the United States out of it last year.

“Our level of enrichment will no longer be 3.67. We will put this commitment aside by whatever amount we feel like, by whatever amount is our necessity, our need. We will take this above 3.67,” said Rouhani, according to IRIB news agency.