

Iran-P5+1 Lausanne Framework: Issues and Challenges

GBalachandran and S Samuel C Rajiv

Dr G Balachandran is Consulting Fellow and S Samuel C Rajiv is Associate Fellow at the Institute for Defence Studies and Analyses, New Delhi

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Summary

This Issue Brief looks back at the implementation of the Joint Plan of Action (JPOA) and examines the extent to which the recent framework (JCPOA) agreed upon at Lausanne adheres to the letter and spirit of the JPOA, specifically as it relates to the pledge to treat the Iranian nuclear programme "as that of any non-nuclear state party to the NPT". It then highlights three pertinent challenges going forward. These include the challenge of bridging the differing interpretations of respective obligations as indicated in the Iranian and US State Department Fact Sheets regarding the Lausanne Framework, domestic dynamics in both the US and Iran, and the role of the International Atomic Energy Agency (IAEA) in policing the JCPOA.

In talks coordinated by the European Union (EU), Iran and its P5+1 interlocutors (China, France, Russia, the United Kingdom, the United States plus Germany) “reached solutions on key parameters of Joint Comprehensive Plan of Action” (JCPOA) on April 2, 2015.¹ This came after nearly 18 months of negotiations and 14 rounds of talks in the aftermath of the November 2013 Joint Plan of Action (JPOA).² Under the JPOA, both sides had pledged to “conclude negotiating and commence implementing” a comprehensive solution “no more than one year” after its adoption. The JPOA began to be implemented on January 20, 2014. It was renewed by mutual consent on July 19, 2014 and again on November 24, 2014 till June 2015. The April 2015 Lausanne understandings have been arrived at in the context of both sides agreeing in November 2014 to hammer out a “political framework” by March 2015 and then seek an understanding on technical solutions by June 2015.

This Issue Brief looks back at the implementation of the JPOA and examines the extent to which the recent framework (JCPOA) agreed upon at Lausanne adheres to the letter and spirit of the JPOA, specifically as it relates to the pledge to treat the Iranian nuclear programme “as that of any non-nuclear state party to the NPT”. It then highlights three pertinent challenges going forward. These include the challenge of bridging the differing interpretations of respective obligations as indicated in the Iranian and US State Department Fact Sheets regarding the Lausanne Framework, domestic dynamics in both the US and Iran, and the role of the International Atomic Energy Agency (IAEA), the sole Agency responsible for policing the JCPOA.

Implementation of the JPOA

Some of the key nuclear-related steps that Iran had to take in the initial six months of the JPOA are listed in the table below.³ The total amount of Restricted Funds (RF's) - oil revenue held by Foreign Financial Institutions (FFI) that Iran was able to access was limited to \$4.2 billion in the initial six-month period. When the JPOA was subsequently extended in July and again in November 2014, Iran was allowed to further access these funds to the tune of \$2.8 billion and \$4.9 billion respectively. During this 18 month period till June 30, 2015, the total amount of funds that Iran was able to access was \$11.9 billion (\$700 million

¹ The EU-Iran Joint Statement is available at http://eeas.europa.eu/statements-eeas/2015/150402_03_en.htm (accessed April 4, 2015).

² See “Joint Plan of Action,” November 24, 2013, at http://eeas.europa.eu/statements/docs/2013/131124_03_en.pdf (accessed April 5, 2015).

³ For an examination of the JPOA, see G. Balachandran and S. Samuel C. Rajiv, “Iran Nuclear Deal: The Fine Print,” *IDSA Issue Brief*, December 9, 2013, at http://www.idsa.in/issuebrief/IranNuclearDeal_balaSam_091213.html (accessed April 8, 2015).

for each month beginning from February 2014, as the JPOA began to be implemented in January 2014).⁴

The JPOA also catered for the medical treatment of Iranians abroad as well as tuition assistance for Iranian students studying abroad to the tune of \$400 million. The White House Fact Sheet explaining the November 2013 JPOA indicated that Iran could get about \$1.5 billion as a result of the easing of sanctions on its petro-chemical exports.⁵ In January 2015, US Deputy Secretary of State Anthony Blinken indicated that the total value of sanctions relief to Iran during the JPOA Relief Period (January 2014 to June 2015) would be about \$14-15 billion.⁶

When the JPOA was extended, Iran on its part accepted further caps on its nuclear infrastructure and enrichment activities. For instance, in July 2014, it agreed to convert 25 kilograms (kgs) of its uranium oxide powder stockpile into fuel plates for the Tehran Research Reactor (TRR) as well as convert its stockpile of two per cent Low Enriched Uranium (LEU) into natural uranium. Analysts however pointed out that Iran was only able to convert about five kgs of the oxide into fuel assemblies by October 2014 and urged for steps to properly account for Iran's stockpile of near 20 per cent LEU in oxide form in any final agreement.⁷ As for the stockpile of two per cent LEU, Iran informed the International Atomic Energy Agency (IAEA) in August 2014 that it had about 4,100 kgs.⁸ By February 2015, all of this was diluted to natural uranium.⁹

As part of the November 2014 extension, Iran agreed to further convert 35 kgs of near 20 per cent LEU in the form of oxide to make fuel assemblies for the TRR. The extension also placed more specific restrictions on Iran's R&D work on advanced centrifuges at the Pilot

⁴ US Treasury Department, "Guidance relating to the provision of certain temporary sanctions relief in order to implement the Joint Plan of Action reached on November 24, 2013, between the P5 + 1 and the Islamic Republic of Iran, as extended through June 30, 2015," at http://www.treasury.gov/resource-center/sanctions/Programs/Documents/guidance_ext_11252004.pdf (accessed April 5, 2015)

⁵ The White House, "Fact Sheet: First Step Understandings Regarding the Islamic Republic of Iran's Nuclear Program," November 23, 2013, at <http://www.whitehouse.gov/the-press-office/2013/11/23/fact-sheet-first-step-understandings-regarding-islamic-republic-iran-s-n> (accessed April 5, 2015)

⁶ Anthony Blinken, "Perspectives on the Strategic Necessity of Iran Sanctions," Statement Before the Senate Committee on Banking, Housing, and Urban Affairs, January 27, 2015, at <http://www.state.gov/s/d/2015/236784.htm> (accessed April 9, 2015)

⁷ David Albright, Paulina Izewicz, and Andrea Stricker, "Iran's Stock of near 20 Percent LEU under the Extension of the Joint Plan of Action," December 8, 2014, at http://www.isisnucleariran.org/assets/pdf/LEU_20_percent_update_Iran_JPA_dec82014-Final.pdf

⁸ GOV/2014/43, September 5, 2014, p. 7, at <https://www.iaea.org/sites/default/files/gov2014-43.pdf> (accessed April 11, 2015)

⁹ GOV/2015/15, February 19, 2015, p. 20, at <https://www.iaea.org/sites/default/files/gov2015-15.pdf> (accessed April 11, 2015)

Fuel Enrichment Plant (PFEP) at Natanz. While the JPOA permitted such work as long as it did not result in the “accumulation of uranium”, restrictions were sought, and accepted by Iran, to prevent ambiguities associated with such Iranian activities as the feeding of UF₆ gas into the single installed IR-5 centrifuge at PFEP as reported in the November 2014 quarterly report of the Director General of the IAEA.¹⁰

Iran also entered into three ‘Framework for Cooperation’ agreements with the IAEA – in November 2013, February 2014 and May 2014, under which it pledged to cooperate on a total of 18 measures to build confidence in the exclusively peaceful nature of its nuclear programme.¹¹ While the initial agreement (on November 11, 2013) predated the JPOA, the latter two consisted mostly of commitments related to the JPOA.

Three of these 18 measures related to issues concerning possible military dimensions (PMD) to Iran’s nuclear programme, most prominently flagged in the November 2011 IAEA Director General’s report to the agency’s Board of Governors (BOG). While the resolution of the PMD issues was not specifically on the JPOA agenda, the fact that a start was made to address some of these concerns as part of the Iran-IAEA cooperation agreements in the aftermath of the JPOA was viewed positively. Iran provided “information and explanation” in relation to one of the PMD-related issues – the testing of exploding bridge wire (EBW) detonators, indicating that this was related to their application “in the oil and gas industry”. In his September 2014 report to the BOG, IAEA Director General Amano noted that such an application ‘was not inconsistent with specialized industry practices.’¹²

In his February 2015 report to the BOG, Amano however stated that Iran “did not provide any explanation to enable the Agency to clarify” concerns relating to the two other PMD issues that Iran had agreed to provide information on as part of the May 2014 ‘Framework of Cooperation’. These were Iran’s activities in relation to the “initiation of high explosives” and “neutron transport calculations”.¹³ Further, Amano noted that since August 2014, Iran had not proposed any new “practical measures” for cooperation.

Iran and the IAEA met for the first time in the aftermath of the Lausanne Framework in Tehran on April 15, 2015. Ahead of the talks, the Spokesperson of the Atomic Energy Organisation of Iran (AEOI) told an Iranian television channel that discussion regarding

¹⁰ See Kelsey Davenport and Daryl Kimball, “Understanding the Extension of the Iran Nuclear Talks and the Joint Plan of Action,” *Arms Control Today*, 6 (12), December 23, 2014, at <https://www.armscontrol.org/issue-briefs/2014-12-23/Understanding-the-Extension-of-the-Iran-Nuclear-Talks-and-the-Joint-Plan-of-Action>

¹¹ For a listing of these measures, See Annex I, GOV/2014/43, n. 6, p. 16.

¹² GOV/2014/43, n. 8, p. 4.

¹³ GOV/2015/15, n. 9, p. 3.

16 out of the 18 issues had been “finalised”, thus clearly signifying differences over the remaining two PMD issues.¹⁴

On the status of the JPOA implementation per se, Amano gave monthly reports to the BOG from January 2014, confirming that Iran has kept up its commitments. In September 2014, the IAEA confirmed that Iran’s stockpile of about 200 kgs of 20 per cent UF₆ at the beginning of the JPOA was either down blended to below five per cent or converted into uranium oxide.¹⁵ By February 2015, Iran had about 8000 kgs of UF₆ enriched up to five per cent U-235. The table below gives an indication of the progress of Iran’s commitments, as regards its enrichment infrastructure and stockpile.

	Enrichment Infrastructure			Enrichment Activities	
	No. of Cascades Installed		No. of Centrifuges Installed	5 per cent UF ₆	20 per cent UF ₆
	Operating	Not Operating			
November 2013 IAEA report	58 (FEP: 52; PFEP: 2; FFEP: 4)	104 (FEP: 92; FFEP: 12)	19837 (FEP: 15420 IR-1; 1008 IR-2M); (PFEP: 328 IR-1’s in production area and 371 IR-1, -2M, -4, -5, -6 in R&D area); (FFEP: 2710 IR-1)	7154.3 kgs	196 kgs
JPOA Requirements (6-month ‘First Steps’)	58 cascades can enrich uranium to 5 per cent	Continue to be non-operative	No addition	No enrichment above 5 per cent; Convert newly enriched UF ₆ to UO ₂	Dilute half to no more than 5 per cent; other half to be retained as ‘working stock of 20 per cent oxide for fabrication of fuel for TRR’ No more enrichment to 20 per cent

¹⁴ “Iran, IAEA to discuss unresolved issues in Tehran statement on April 15,” Islamic Republic of Iran News Network, Tehran, in Persian, April 14, 2015, BBC Monitoring

¹⁵ GOV/2014/43, n. 8, p. 1.

February 2014 IAEA report	60 (FEP: 54; PFEP: 2; FFEP: 4; (Connections between 6 operating cascades at PFEP and FFEP removed)	102 (FEP: 90; FFEP: 12)	19,826 Change in R&D area at PFEP: 360 (reduction of 2 IR-2m, 3 IR-4, 6 IR-6);	7609 kgs	160.6 kgs
May 2014 IAEA report	Unchanged	Unchanged	19,840 Change in R&D area at PFEP: 374 (plus 1 IR-1, 10 IR-2m, 2 IR-4, 1 IR-6);	8475 kgs	38.4 kgs
September 2014 IAEA report	Unchanged	Unchanged	19,842 Change in R&D area at PFEP: 376 (plus 2 IR-1, 9 IR-4 and minus 9 IR-2m and 2 IR-6);	7765 kgs	0.6 kgs
November 2014 IAEA report	Unchanged	Unchanged	19,854 Change in R&D area at PFEP: 388 (plus 11 IR-1, 9 IR-2m, 2 IR-6, 1 IR-8, minus 11 IR-4)	8290.3 kgs	0.6 kgs
February 2015 IAEA report	Unchanged	Unchanged	19,861 Change in R&D area at PFEP: 395 (plus 22 IR-4, 4 IR-6, minus 11 IR-1, 8 IR-2m) Operating centrifuges: 9484 IR-1 (9156 at FEP; 328 at PFEP)	7952.9 kgs	0.6 kgs
Lausanne Solutions, April 2, 2015 (US State Dept Fact Sheet)			6104 IR-1's Natanz: 1008 IR-2m to be removed; Fordow: no enrichment; 1800 centrifuges (out of 2710) to be removed; Limited R&D on advanced centrifuges; No re-processing or re-processing R&D; No new heavy water plant for 15 years;	No enrichment beyond 3.67 per cent for 15 years; 300 kgs of LEU;	

The Lausanne Framework

Iran's two objectives during the JPOA process were to ensure that its nuclear non-proliferation treaty (NPT) 'rights' vis-a-vis civil nuclear energy are safeguarded and that the sanctions regime be dismantled. Ahead of the November 2013 JPOA, Iran's 'red lines' as far as its nuclear infrastructure was concerned was that it will not shut down any of its nuclear facilities and that it will not ship out of the country any of its enriched uranium. To that extent, the Lausanne Framework addresses these Iranian concerns.

When the JPOA was negotiated, US officials like Secretary of State John Kerry stated that Iran's 'break-out' capacity – the period required for the country to possess sufficient enriched uranium to make one bomb – was about two months.¹⁶ The most important consideration for the P5+1 and especially the US during the JPOA process was to ensure that this 'break-out' capacity gets extended to at least one year. US Energy Secretary Ernest Moniz, who played a crucial role in the negotiations leading up to the Lausanne Framework, stated that the parameters agreed to at Lausanne ensure this.

This was done by blocking Iran's path to a bomb through four potential pathways – plutonium pathway through the Arak research reactor using heavy water; two uranium pathways through the enrichment facilities at Natanz and Fordow; and the pathway provided by the possible existence of covert facilities.¹⁷ Apart from these steps, as indicated in the table above, Iran agreed to put in place robust verification and monitoring mechanisms across the whole range of its nuclear activities from mining to dual-use item procurement in order to ensure that no 'covert' activities take place.

The JPOA pledged that following the successful implementation of the JCPOA, the Iranian nuclear programme "will be treated in the same manner as that of any non-nuclear weapon state party to the NPT." Given that there are no restrictions in the NPT on re-processing facilities or reprocessing R&D on spent fuel (Iran has committed itself to refrain from these activities indefinitely) and on heavy water plants (Iran has agreed not to build any such facilities for 15 years), Iran's commitments as indicated in the US Fact Sheet are definitely beyond those currently required by non-nuclear NPT member states. The nature and time period of restrictions as well as IAEA verification measures on its nuclear infrastructure and activities (ranging from mines, centrifuges assembly workshops and procurement activities for dual-use items) that Iran has agreed to are also seemingly over and above those required by any other NPT-member state.

¹⁶ "National Security and Foreign Policy Priorities in the Fiscal Year 2015 International Affairs Budget," SFRC Hearings, April 8, 2014, at <http://www.foreign.senate.gov/imo/media/doc/04%2008%202014,%20International%20Affairs%20Budget1.pdf>, p. 19 (accessed April 20, 2015).

¹⁷ "Press Briefing by Press Secretary Josh Earnest and Secretary of Energy Ernest Moniz," April 6, 2015, at <https://www.whitehouse.gov/the-press-office/2015/04/06/press-briefing-press-secretary-josh-earnest-and-secretary-energy-ernest-> (accessed April 16, 2015).

In this context, it is pertinent to note that the IAEA draws a “broader [safeguards] conclusion” that “all nuclear material remained in peaceful activities” for NPT member states that have both a comprehensive safeguards agreement (CSA) as well as an Additional Protocol (AP) in place. In 2013, 117 states had both the CSA and AP in place and the IAEA drew such a ‘broader conclusion’ for 63 states. Among such states, some of the longest time periods between a state signing an AP and the IAEA drawing a ‘broader conclusion’ was 11 years for Turkey (2012) and eight years for South Africa (2010). The Agency took five years for Canada (2005), four years for Germany (2008) and Ukraine (2010), and two years for Libya (2008).¹⁸ The resources of the IAEA as well as the extent of Iranian cooperation, specifically as regards PMD issues, gain prominence in the context of its ability to draw a similar conclusion for Iran.

A case could have been made by Iran to agree for restrictions that are coterminous with the IAEA drawing a ‘broader conclusion’, thus potentially reducing by a number of years the continuance of the ‘pariah’ status of its nuclear programme. However, with the US insisting that its efforts were geared primarily towards ensuring a minimum ‘break-out’ time of one year for at least 10 years, it would appear that Iran has consented to the additional restrictions in order to obtain its primary strategic objective – the removal of sanctions.

Further, in countries with regard to which the IAEA draws such a ‘conclusion’, it follows an ‘integrated safeguards’ approach. While this generally entails a reduced intensity of inspection activities at nuclear facilities and location outside facilities (LOF) where nuclear material is stored, it is also contingent on a ‘State-level’ approach developed for each country that takes into account each State’s “individual characteristics”.¹⁹ Therefore, the nature of the Iranian commitments as depicted in the US Fact Sheet reflects the specificity of the Iranian case.

Challenges Ahead

Differing Interpretations

In the aftermath of the Lausanne talks, in addition to the EU-Iran Joint Statement, the US State Department and the Iranian Foreign Ministry also released Fact Sheets explaining

¹⁸ IAEA Safeguards Implementation Reports, Various years, at <https://www.iaea.org/publications/reports>.

¹⁹ IAEA *Annual Report 2012*, ‘Nuclear Verification’, <http://www.iaea.org/Publications/Reports/Anrep2012/verification.pdf> (accessed September 2, 2013); See also IAEA, *Safeguards Implementation Report 2012*, at <https://www.iaea.org/publications/reports>, p. 5.

the terms of the 'framework' agreement to their respective audiences.²⁰ The most prominent divergence in these relates to the issue of sanctions relief. While the American Fact Sheet asserts that the nuclear-related sanctions imposed by the EU and US will be suspended after the IAEA verification of key Iranian commitments, the Iranian Fact Sheet affirms that all sanctions will be "immediately removed after reaching a comprehensive agreement." At another point in the document, the Iranian Fact Sheet asserts that "all sanctions will be automatically annulled on a single day" at the "start of Iran's nuclear-related implementation work".

The EU-Iran Joint Statement states that while the EU will "*terminate*" all nuclear-related and economic sanctions, the US will "*cease application*" of sanctions "*simultaneously* with the IAEA-verified implementation by Iran of its key nuclear commitments" [emphases added]. Given that the IAEA cannot verify the implementation of a commitment before the act, it seems reasonable to assume that sanctions relief would only follow after the IAEA verification of key nuclear-related steps.

While it is clear from Iran's stated positions that it would not agree to sanctions relief "at the end" of the IAEA verification process, the sequencing of sanctions relief with Iran's implementation of key commitments will be a key negotiating factor in the run up to June 2015. It is pertinent to note that even in the JPOA, Iran and its interlocutors agreed that a "comprehensive solution", namely, the JCPOA, "would involve a *reciprocal step-by-step process*, and would produce the comprehensive lifting of all UNSC sanctions, as well as multi-lateral and national sanctions" [emphasis added].²¹

During a briefing provided by the White House Spokesperson and US Energy Secretary Moniz on April 6, 2015, the former insisted that the "focus of the negotiations for more than a year" was on the nature of Iran's commitments regarding its nuclear programme and that the nature of sanctions relief would only be apparent at the end of negotiations in June.²² As against this, announcing the Lausanne framework, the Russian Foreign Ministry stated that Iran and its interlocutors "reached an agreement of principle on the key parameters of all elements of future nuclear activity in Iran, ... *as well as the procedure, sequence and degree of lifting the sanctions imposed on Iran by the UN Security Council and*

²⁰ See US State Department, "Parameters for a Joint Comprehensive Plan of Action Regarding the Islamic Republic of Iran's Nuclear Program," April 2, 2015, at <http://www.state.gov/r/pa/prs/ps/2015/04/240170.htm>, (accessed April 4, 2015); The Iranian translation is available at <http://iranmatters.belfercenter.org/blog/translation-iranian-factsheet-nuclear-negotiations> (accessed April 9, 2015).

²¹ JPOA, n. 2.

²² "Press Briefing by Press Secretary Josh Earnest and Secretary of Energy Ernest Moniz," n. 17.

unilateral US and EU sanctions" [emphasis added].²³ Foreign Minister Sergei Lavrov stated earlier on March 31 in Lausanne that the agreement stipulates "detailed provisions on the lifting of sanctions".²⁴ However, the absence of relevant details in the public domain as regards such a mechanism fuels the respective American and Iranian posturing as evident in their Fact Sheets.

As regards the nature of Iran's nuclear infrastructure during the time of the JCPOA, though the US Fact Sheet has far greater details than the other two, the essence of their understandings can be termed 'almost similar'. The US Fact Sheet has more details about the restrictive measures to be incorporated into the new UNSC resolution which would acknowledge the JCPOA and overturn the previous resolutions. While the EU-Iran Joint Statement and the Iranian Fact Sheet are silent on a host of issues ranging from supply chain monitoring, procurement channel to oversee Iran's purchase of dual-use items, IAEA access to suspicious sites or possible covert facilities, UNSC-mandated dispute resolution process, sanctions snapping-back into place, etc., these are all noted in the US Fact Sheet.

The grey area among the Fact Sheets covers the issue of PMD, with only the US Fact Sheet affirming that Iran will "implement an agreed set of measures" to address concerns in this regard. As regards the implementation of the Additional Protocol which the IAEA has stated is essential to address PMD concerns, the Iranian Fact Sheet states that the country will implement it on a "voluntary and temporary basis" whereas the Joint Statement notes the Protocol's "provisional application". The US Fact Sheet states that Iran will "implement" the AP and provide the IAEA greater access and information "including both declared and undeclared facilities". It further asserts that Iran's adherence to the AP is 'permanent'. The Joint Statement also states that the IAEA will have "enhanced access through agreed procedures, including to clarify past and present issues," a euphemism for PMD issues.

Domestic Dynamics

Both the US and Iran, as indeed the other members of the P5+1, have to take on board the concerns of critical domestic constituencies. Supreme Leader Ayatollah Khamenei has been quoted as saying that the framework agreement was "no guarantee" that a final

²³ "Foreign Ministry statement on the results of the Lausanne talks between the P5+1 powers and Iran on the settlement of Iran's nuclear issue," April 2, 2015, at http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/997031ff408bbaed43257e1c0046b65b!OpenDocument (accessed April 16, 2015).

²⁴ "Foreign Minister Sergey Lavrov's comment for the media on talks between the P5+1 international mediators and Iran, Lausanne," March 31, 2015, at http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/2ea819304dfd29c443257e1a0037aea5!OpenDocument (April 16, 2015).

agreement could be negotiated and that he was “neither for nor against” the Lausanne framework.²⁵ His twitter account also warned negotiators to be wary of the “disloyal side” (read US) which “may stab Iran in the back over details”.²⁶

Foreign Minister Zarif has openly criticised the US State Department Fact Sheet and there were reports that the Iranians will issue a rebuttal to counter the US document. Further, the role of the *Majlis* will be under scrutiny, given that it will have to ratify the Additional Protocol. As indicated above, divergences exist on the interpretation of the sides with regard to this obligation.

President Obama faced a tough challenge as regards the role of the US Congress vis-à-vis the framework agreement. Legislation was introduced in the Congress in February 2015 (Iran Nuclear Agreement Review Act of 2015) demanding that the administration place all documents relating to the JCPOA before Congress, requiring a Verification Assessment report by the Secretary of State as to whether Iran will be able to live up to its obligations, funding requirements for the IAEA among other issues, and a certification by the President that the agreement would meet US non-proliferation objectives.²⁷ The initial bill had 21 co-sponsors, including eight Democrats and one Independent, apart from 12 Republicans.

The Obama administration threatened to veto any new sanctions legislation, insisting that such a move could have negative repercussions on the status of the ongoing negotiations. While acknowledging that Congress has an important role to play in the removal of extant sanctions, administration officials have been less welcoming of its role in ‘approving’ a potential deal with Iran. In a March 14, 2015 letter to the Chairman of the Senate Foreign Relations Committee (SFRC), Obama’s Chief of Staff Dennis McDonough insisted that the administration was negotiating a “non-binding agreement” with Iran which does “not require Congressional approval”.²⁸

The Obama administration and the SFRC, where the Iran Nuclear Agreement Review Act of 2015 was referred to, however reached a compromise on April 14 under the terms of which Obama agreed for the Congressional review of a final agreement but the time period requiring the President not to provide any sanctions relief while the Congress reviewed the deal was reduced to 30 days (from the original 60 days). Other changes included removal of language that required the President to certify that Iran has not

²⁵ “Iran’s Khamenei says no guarantee of nuclear deal,” April 9, 2015, at <http://www.afp.com/en/news/irans-khamenei-says-no-guarantee-nuclear-deal> (accessed April 11, 2015).

²⁶ See https://twitter.com/khamenei_ir/status/586103729386053632 (accessed April 11, 2015).

²⁷ The text of the legislation is available at http://www.foreign.senate.gov/imo/media/doc/S.615_Iran_Nuclear_Agreement_Review_Act_of_2015.pdf (accessed April 5, 2015).

²⁸ The text of the letter is available at <http://iranprimer.usip.org/blog/2015/mar/16/white-house-warns-senate-iran-bill> (accessed April 10, 2015).

supported terrorist activity.²⁹ The newer version of the bill approved overwhelmingly at the SFRC (19-0) garnered 53 co-sponsors, including 37 Republicans and 15 Democrats, apart from one Independent. While both sides claimed victory as a result of the compromise, analysts believe that the administration was the bigger gainer.³⁰

Other pending Iran-related legislations include the Nuclear Weapon Free Iran Act of 2015, which was introduced in January 2015 with 52 co-sponsors (44 Republicans and eight Democrats). The draft legislation, which was referred to the Senate Banking Committee, proposes more stringent changes to existing sanctions legislation in case no deal is reached.³¹ Analysts note that with the compromise reached with the SFRC on April 14, this particular piece of draft legislation has receded into the background.

IAEA Verification and Monitoring

In his 17 January 2014 report to the BOG, the Director General of IAEA indicated that the Agency would need an additional six million Euros to carry out monitoring and verification as required under the JPOA for the initial six months period, inclusive of voluntary extra-budgetary contributions of 5.5 million Euros.³² In his May 2014 report, he informed the Board that the Agency was carrying out nuclear-related verification and monitoring activities in relation to the JPOA "subject to the availability of funds".³³ When the JPOA was extended in July 2014, the Agency required an additional one million Euros. By September 2014, only about 0.3 million Euros were pledged.³⁴ Although by February 2015 six million Euros had been pledged, the Agency received only 1.1 million Euros.

²⁹ The revised bill is available at <https://www.congress.gov/bill/114th-congress/senate-bill/615/text> (accessed April 17, 2015). See also Karen DeYoung and Mike DeBonis, "Congress and White House strike deal on Iran legislation," April 14, 2015, at http://www.washingtonpost.com/politics/congress-prepares-to-flex-its-muscle-on-iran-nuclear-deal-to-obamas-chagrin/2015/04/13/1932c5b2-e219-11e4-81ea-0649268f729e_story.html (accessed April 16, 2015).

³⁰ Yishai Schwartz, "Why the Administration is Perfectly Pleased with the Iran Nuclear Agreement Review Act," April 14, 2015, at <http://www.lawfareblog.com/2015/04/why-the-administration-is-perfectly-pleased-with-the-iran-nuclear-agreement-review-act/> (accessed April 18, 2015). See also Michaela Dodge, Steven Groves and James Phillips, "Senate's Iran Nuclear Bill Misses the Point," April 16, 2015, at <http://www.heritage.org/research/reports/2015/04/senates-iran-nuclear-bill-misses-the-point> (accessed April 19, 2015).

³¹ The text of the legislation is available at <https://www.congress.gov/bill/114th-congress/senate-bill/269/cosponsors> (accessed April 11, 2015).

³² GOV/2014/2, January 17, 2014, pp. 3-4, at <https://www.iaea.org/sites/default/files/gov2014-2.pdf> (accessed April 9, 2015).

³³ GOV/2014/28, May 23, 2014, p. 2, at <https://www.iaea.org/sites/default/files/gov2014-28.pdf> (accessed April 9, 2015).

³⁴ GOV/2014/43, n. 8, p. 3.

The IAEA has of course continued to verify Iranian compliance with the JPOA, and has not indicated whether the mismatch between the monetary pledges made and the actual money received has in any way affected its monitoring of the nuclear-related verification measures. The IAEA would no doubt have to ramp up its Iran-related verification and monitoring activities for an extended period of time as part of the JCPOA. During the period of the JPOA, for instance, Natanz and Fordow enrichment facilities were subject to daily inspections (as against once a week prior to November 2013), while the Arak reactor was subject to monthly inspections (as against once every three months earlier).

In his monthly report on December 3, 2014 issued in the aftermath of the second extension of the JPOA, Amano stated that the increased monitoring and verification involves

“a significant increase in the frequency of the Agency’s in-field verification activities, including access to locations other than those at which the Agency had previously conducted such activities; procurement and installation of more safeguards equipment; more sample analysis; and more analytical work.”³⁵

This would therefore entail a corresponding increase in its budget and the number of inspectors in order to implement the final agreement, if negotiations are successful. The State Department version of the ‘Agreed Parameters’ affirms that “the use of the most up-to-date, modern monitoring technologies” will be used to carry out the IAEA’s task. Given that the six countries of the P5+1 are among the top seven contributors to the IAEA budget (the other being Japan), it is expected that they would bear the bulk of the burden for the deal they are negotiating.

³⁵ GOV/2014/62, December 3, 2014, p. 3, at <http://www.iaea.org/sites/default/files/gov2014-62.pdf> (accessed April 9, 2015).