The Long Road to Lausanne and the Way Forward for the EU with Iran

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European governments have had a long history of active involvement in negotiations

regarding Iran’s nuclear program, right from the beginning of the process in 2003. This

essay examines the successes and shortcomings of the EU and E3 activities and calls on

Europe to now take their relations with Iran to the next level.

The Joint statement given by the EU High Representative Federica Mogherini and Iran’s

Foreign Minister Javad Zarif on 2 April 2015 in Lausanne was brief but positive: “Today, we

have taken a decisive step: we have reached solutions on key parameters of a Joint

Comprehensive Plan for Action (JCPOA). The political determination, the good will and the

hard work of all parties made it possible. Let us thank all delegations for their tireless

dedication.”

It did not, however, take long for the differences to again cloud the atmosphere of relief

that was felt in most capitals around the world following Lausanne. While US President

Barack Obama called the agreement a “historic understanding,”“a good deal” and “our

best bet”, Iranian President Hassan Rouhani described it as “the surrender of the West”

and “a victory for the great Iranian nation”. The Israeli Prime Minister, Benjamin

Netanyahu, for his part, called it “a dangerous deal” that “will lead to war.”

For the European Union, a binding agreement on Iran’s nuclear program would spell

major success given the constancy of its involvement and its ambitions. It is therefore

important that Europe ensures the protection of the deal from spoilers. It also needs to

develop an overarching strategy to engage with Iran beyond the nuclear issue. After all, the

country has been kept out of the regional discourse for too long, despite its importance as

a player in the Middle East.

The EU is in a good position to do so because it never fully severed diplomatic ties with

Iran in the aftermath of the Islamic Revolution of 1979. Germany can play a leading role: It

is the EU country with the most developed economic ties with Iran, and it is also home to

the largest Iranian diaspora in Europe with a community of more than 120,000 Iranian

immigrants.

Let us briefly recapitulate the role of the European Union and its three member states that

have so far participated in the Iran negotiations: Great Britain, France, and Germany—the

so-called E3. It has been easily the most lengthy and most ambitious European promotion

of a non-military solution for a major security challenge and in the field of nuclear nonproliferation.

It is therefore worth examining the strengths and weaknesses of Europe’s

long way to Lausanne, and the way ahead.

For almost ten years, European governments led the efforts to resolve the crisis triggered

by the discovery of Iran’s clandestine nuclear enrichment program in 2003. The initiative

was then handed over to the Barack-Obama-led US government. Although the framework

agreement has been successfully negotiated, given the risk of a backlash from Republican

hawks in the US Congress(98), Europe would do well not to rest on its laurels; rather, it is

time for the EU to think ahead and beyond the deal.

Even as the technical issues have all been nearly resolved, Iran will not immediately turn

into a reliable partner and the distrust between Iran and the West will remain in the short

term. Europe should use its position to extend its agenda with Iran beyond the nuclear

deal. Engaging Iran’s active—and rather pro-Western—civil society is one possible way.

Another way would be to identify areas of common interest. The tectonic shift that is still

ongoing in the Middle East requires a more comprehensive policy approach, and Iran is

too important a player in the region to be reduced to the nuclear file.

The First Trip to Tehran

In October 2003, Foreign Ministers Joschka Fischer (Germany), Dominique de Villepin

(France) and Jack Straw (UK) travelled to Tehran for the first time to defuse tensions with

Iran over its nuclear program. That visit kickstarted a series of European efforts aimed at a

peaceful resolution of the crisis.

It was not a small step for them, nor for the rest of the European Union; the trip was not

uncontroversial, either. Quite a number of EU member states were sceptical about the

legitimacy of the E3, as Germany, France and the UK would come to be known. Within the

framework of the EU’s divided sovereignty, this was an important initiative. But it was not

until Javier Solana, the then High Representative for Common Foreign and Security Policy

of the EU made himself spokesperson of the initiative, that the E3 were formally accepted

by the EU.(99)

As Oliver Meier argues, “Institutionally, a process of cooperation and consultation among

the E3 and the EU was set up, that has remained basically the same ever since.”(100)

Resistance though was never far. In 2005, member states like Italy, Spain and Portugal

questioned the authority of the E3 to negotiate a resolution on behalf of the EU.(101)

However, the E3 and the EU managed to stick with the format and its approach of

“constructive engagement” with Iran that played an important role in preventing a military

escalation of the conflict.

Whether the E3 can be a format for other European foreign policy initiatives remains to be

seen. What is clear is that the 2003 trip to Tehran was an important success for European

diplomacy, not only because Europe remained united–as opposed to the divisions during

the Iraq crisis—but also because it managed to sign an agreement with Iran. From the US’

point of view, however, the Tehran Declaration that was signed by the E3 and Iran in

October 2003 bordered on European unilateralism.

In the declaration, Iran agreed to suspend all uranium enrichment and reprocessing

activities. Tehran also agreed to resolve all outstanding issues with the International

Atomic Energy Agency (IAEA) and ratify the Additional Protocol. In return, Europe offered

“easier access to modern technology and supplies in a range of areas.”(102)

The US, for its part, continued its approach of containment and isolation of Tehran that

found its expression in then US President George W. Bush’s infamous “Axis-of-Evilspeech”

that included Iran. While the extent of coordination between Washington and the

E3 was unclear, the possibly unintended good-cop-bad-cop approach seemed to have

worked.

Paris Agreement and Setback

The Paris Agreement followed in November 2004, aimed at reducing ambiguities between

Iran, the E3 and the IAEA regarding the scope of suspension of uranium enrichment. The

text of the agreement that states, “a long-term agreement will provide objective guarantees

that Iran’s nuclear programme is exclusively for peaceful purposes”, reduced differences

between Europe and Washington. But it also provided that suspension “is a voluntary

confidence building measure and not a legal obligation.”

For Tehran, this meant that Iran was entitled to maintain a full nuclear fuel cycle. But not

for the US, which saw the suspension of enrichment as a precondition for negotiations. In

August 2005, Mahmoud Ahmadinejad was elected as Iran’s President, heralding the start of

a politically different journey for the nation. The following “Framework for a Long-Term-

Agreement” presented by the E3 in August 2005 was rejected by Iran on the basis that it did

not recognise Iran’s right to enrich uranium. Negotiations then broke down.

On 12 January 2006, Javier Solana came to the conclusion that “the discussions with Iran

have reached an impasse”, calling the country’s decision to restart uranium enrichment a

“clear rejection of the process the E3/EU and Iran have been engaged for over two

years.”(103) The case was referred to the UN Security Council in 2006. This brought the

mediation efforts, undertaken until then by the E3, under the purview of the five

permanent members of the UN Security Council and gave birth to the new set-up of P5

(China, France, Russia, the UK and the USA)+1 (Germany), also referred to as E3+3.

The Birth of P5+1 or E3+3

By and large, Europe saw this new set-up as an advantage because the UN Security

Council could impose sanctions, although Russia and China were sceptical about the idea

at that time. The UN Security Council Resolution 1696, adopted on 31 June 2006,

demanded that “Iran shall suspend all enrichment-related and reprocessing activities,

including research and development.” It did not, however, provide for sanctions.

From the European point of view, it was a success nonetheless, because it “provided an

unambiguous legal basis for European calls on Iran to cease enrichment by endorsing the

demand for suspension”(104), argues Oliver Meier. The resolution also supports an offer

by the E3+3 that encourages cooperation with Iran and confidence-building based on an

“exclusively peaceful nature” of Iran’s nuclear programme.”(105)

However, the IAEA came to the conclusion that Iran had not given up its nuclear

enrichment activities and imposed a first round of sanctions with Resolution 1737 on 23

December 2006. They were implemented by the EU on 23 April 2007. When Nicolas

Sarkozy was elected as French President on 6 May 2007, he started to push the E3 to adopt

unilateral sanctions beyond the UN framework.

France had always been the toughest among the three European negotiators on Iran.

However, when Sarkozy’s Foreign Minister Bernard Kouchner threatened that, “we have to

prepare for the worst, and the worst is war,”(106) the question arose if Europe had indeed

given up on its earlier position that a military confrontation must be avoided. Germany,

which has the largest network of economic relations with Iran, favoured a more cautious

approach.

According to a report by the newsmagazine, “Der Spiegel”, the German Foreign Minister

Frank-Walter Steinmeier had data to prove, that French and American companies

conducted large amounts of business with Iran and thus the demand for the EU sanctions

were “hypocritical”.(107) But Berlin was sidelined. Until 2010, the EU supported four UN

Security Council Resolutions that imposed sanctions on Iran.(108)

This more robust approach was closer to the US position. The then US President, George

W. Bush supported, in principle, the E3’s position to offer incentives to Iran, which can be

seen as another success for European diplomacy. As a European diplomat explained to

Oliver Meier, the ‘explicit endorsement’ by China, Russia and the USA constituted ‘one key

difference’ between this proposal and the one offered in 2005.”(109)

At the same time, it also brought the E3 in conflict with the IAEA under Mohamed El

Baradei, who had come up with a work plan in the summer of 2007 to overcome

differences with Iran. The plan was rejected by Washington, and European diplomats were

also concerned that the plan could sideline UN sanctions and the E3+3 negotiations.

Obama Takes Over, EU Position Hardens

In 2008, the process took on new dynamics with the election of Barack Obama as US

President. While initially there were all kinds of worries on the European side, the US

decided to directly join the E3+3 talks in April 2009. While the Obama administration had

come to the conclusion that it needed to engage more in diplomacy, the European position

had hardened.

The crackdown on the opposition movement in Iran in 2009 tested the patience and unity

of the E3. France now was in favour of isolating Iran and there it took the lead. In July 2009,

the UK asked other European countries to withdraw their diplomats from Tehran to

protest against the detention of British embassy staff who was accused by Iran of inciting

protests. Germany and Italy were against it. The EU agreed, however, to call on Tehran to

release the British staff. Iran, in return, announced that the EU “has totally lost the

competence and qualifications needed for holding any kind of talks with Iran.”(110)

In November 2009, Catherine Ashton took over as the EU High Representative from Javier

Solana, which brought an additional change in Europe’s approach to the Iran issue. While

some called the new strategy, more “sober”, others dismissed it as “bureaucratic”.

On 17 June 2010, the EU decided on a new set of restrictive measures and economic

sanctions against Iran. While the EU previously justified its sanctions mainly as a means to

influence Iran’s nuclear and missile activities, it now argued that economic sanctions

generally would hike the price for the Iranian government to continue with the

programme.”(111)

An IAEA report released in November 2011 confirmed the suspicions earlier expressed by

the US that Iran indeed tried to acquire nuclear weapons. In the same month, French

President Sarkozy wrote a letter to his British and German counterparts—as well as to the

leaders of the US, Canada, Japan and the EU—calling for an import ban on Iranian oil. On

23 January 2012, the EU Foreign Affairs Council imposed an import ban on Iranian crude

oil and froze the assets of the Iranian Central Bank in the EU.

E3 leaders, David Cameron, Angela Merkel and Nicolas Sarkozy issued a statement that

unequivocally called for “strong measures” that would prevent Iran from continuing its

nuclear programme, described as a threat to “the peace and security of us all.”(112)

Although countries like Italy, Spain and especially Greece were reluctant to extend trade

restrictions to oil imports in the middle of a financial crisis, they did not resist them in the

end.

The decision initially brought Iran back to the negotiation table, but no agreement could

be reached. The stumbling stone was the demand by the E3+3 that Iran end its production

of 20-percent-enriched uranium. Tehran insisted that the E3+3 first had to recognise its

right to enrichment. The talks had entered a deadlock.

Geneva Accord and the Joint Plan of Action

It was not before the election of Hassan Rouhani as Iranian President in June 2013, and

the opening of a number of back-channel negotiations by the Obama administration in

March 2013, that the negotiations gathered new steam. An interim agreement called the

Geneva Accord and the Joint Plan of Action was reached in November 2013. One year later,

on 6 November 2014, seven prominent European citizens signed an open letter urging the

E3+3 and Iran to reach a final deal.(113) It was not before 2 April 2015 in Lausanne, that an

agreement was reached on the framework of a comprehensive deal with Iran.

Basically, the negotiators compromised over allowing Iran to continue to enrich uranium

to prevent the country from getting a nuclear weapon. “Breakout capability” has become

the new buzzword, the yardstick of the time needed to produce enough fissile material for

one nuclear weapon. A lot of technical detail has to be filled-in before a deal can be

finalised by the deadline, set for 30 June 2015.

The E3 and the EU have been happy to take a backseat in the last few years. But it seems

that a convergence of positions between Washington and Europe over time made this

possible. The same cannot really be said about the West and Iran. There remains an

enormous amount of mistrust between the two sides that needs to be bridged even if an

agreement will be signed in July.

This is why Europe now needs to up the ante. As the former German Foreign Minister,

Joschka Fischer, notes, “to achieve a sustainable compromise that all sides accept (even if

with gritted teeth), the negotiations must be accompanied by diplomatic steps aimed at

building trust both in the region and beyond. Europe is very well versed in such processes

and should put its experience to good use.”(114)

The former German Foreign Minister and one of the fathers of the E3 is not the only one

pressing for a renewed, stronger European role. Think-tanks such as the European Council

on Foreign Relations and Carnegie Europe recently published articles with similar

arguments.(115)

Europe indeed has nothing to lose by intensifying diplomacy with Iran in the field of

cultural contacts, exchange of ideas on topics of common interest such as urbanisation,

migration and many others, as well as people-to-people exchange. It is much better

positioned to do this than the US, where any deal with Iran faces fierce resistance in the

Congress.

Germany, in particular, is in a good position to do so. Its large Iranian diaspora has kept

contact and business ties with their country of origin over all these years. Most of

European-Iranians are also very far from romanticising the Mullah regime.

While it is a bit premature to call for a broader European strategy, an incremental

approach might bring more insight into the question of where relations between Europe

and Iran could be headed to in the future.