

Political

update:– Iran stockpiles enough uranium to produce an atom bomb and tests a new nuclear reactor; UK, France and Germany propose additional EU sanctions to curb the Iranian nuclear threat – 26 February

Key points:

- Iran tests new nuclear reactor and continues to enrich uranium
- International Atomic Energy Agency (IAEA) periodic report says Iran has enough nuclear material to construct a bomb
- UK Foreign Minister calls a nuclear-armed Iran unacceptable
- UK, France and Germany propose additional EU sanctions on the Iranian regime

Latest developments

- A restricted International Atomic Energy Agency (IAEA) report, circulated among the IAEA's 35 board member nations on 19 February, said that Iran had stockpiled 1,010 kg of low-enriched uranium, enough to produce an atom bomb. Bill Rammell, Minister of State for the Foreign and Commonwealth Office told the House of Commons on Tuesday (24 February) that:

“A nuclear-armed Iran is unacceptable. We all need to work together to force Iran to confront that fundamental choice: on the one hand, engagement and all the benefits that it can bring or, on the other, increased isolation.” (24/02/09)

- Discussing the incentive of full diplomatic relations with the US, offered to Iran in return for the cessation of uranium enrichment, the UK Foreign Secretary David Miliband urged the regime on 7 February to seize the chance. Speaking at international security conference in Munich, Miliband said:

“It is not going to get any better than this. It's not going to get better than an American administration saying we want normal relations with Iran” (07/02/09)

- Iran carried out a test-run of its long-delayed Bushehr nuclear reactor on Wednesday (25 February), built with Russian technology and assistance. The 1000-megawatt reactor, that is not expected to be fully operational until later this year, was tested with lead fuel rather than enriched uranium. The nuclear fuel for the Bushehr reactor has already been supplied by Russia.

- The launch was carried out in the presence of high-level dignitaries and foreign journalists, in an exercise designed to send the international community a signal of Iran's determination to achieve nuclear status. Gholamreza Aghazadeh, the head of Iran's Atomic Energy Organisation, said:

“Today was one of the most important days for the Iranian nation... We are approaching full exploitation of this plant.” (25/02/09)

- Western concerns have focused on Iran's facility at Natanz, which is actively enriching uranium. According to Aghazadeh, the regime plans to install 50,000 uranium enriching centrifuges over the next five years.
- In its periodic report on 19 February, the IAEA said Iran had increased the number of uranium enriching centrifuges, necessary for producing fuel for civilian use or nuclear warheads, to a total of 3,964. Iran has also refused to allow the IAEA to inspect its Arak heavy water reactor project and has built a dome over it, preventing satellites from taking images of the facility.
- The UK, France and Germany (EU3) are leading negotiations in the EU for additional sanctions on Iran's nuclear programme, under powers provided by UN Security Council resolutions. A confidential document seen by the Financial Times lists 34 Iranian entities and 10 individuals that the EU3 wishes to ban in the EU. It is reported that the EU3's efforts have met with opposition from Greece, Cyprus, Spain, Austria and Sweden, attempting to protect their economic interests. Austria, for example, is opposed to new sanctions as a large Austrian energy firm has signed a commercial deal with Iran to develop its gas resources.
- The proposed list reportedly includes Sharif University of Technology, Iran Insurance Company, Iran Air Cargo, Khatam ol-Anbia (a construction contractor affiliated to the elite Revolutionary Guards), the Iran Space Agency and the Razi Institute for Serum and Vaccine Production.
- Britain and France are also calling for EU sanctions to prevent Iran from obtaining technology for its oil industry, as well as to ban the activities of Iran's Saderat and Mellat banks. The assets of Bank Saderat and Bank Mellat are frozen in the US due to their links with Hezbollah and the Iranian nuclear programme respectively. HM Treasury and EU sanctions do not currently prohibit either bank from operating in the UK, despite the US Treasury directly implicating the London Branch of Bank Saderat for the transfer of \$50m from Iran to Hezbollah in its proscription procedure.

Background

- Iran has continued to enrich uranium despite three rounds of UN sanctions. The regime's Foreign Ministry spokesman, Hasan Qashqavi, said on 8 December 2008 that Iran's "nuclear right" must be accepted.
- EU3 plus 3 (UK, Germany, France, US, Russia and China) offers of incentives to Iran, to urge the regime to cease enrichment, have also been ignored. The package offered on 19 July 2008 included the restoration of diplomatic ties with the US and increased trade with the EU.
- The UN Security Council unanimously adopted its latest resolution against Iran's nuclear programme on 27 September 2008. The resolution offered no new sanctions but merely reaffirmed existing ones, which enable the imposition of travel restrictions and bans on named individuals and entities.

- Veteran diplomat Dennis Ross was named as US Special Adviser for the Persian Gulf and Southwest Asia on Monday (23 February). In an article for US current affairs magazine Newsweek in November 2008, Ross argued for “sharp sticks” of stronger sanctions against Iran, coupled with “appetizing carrots.”
- In addition to its nuclear programme, Iran has also made significant progress in the development of rockets and missiles potentially able to deliver nuclear warheads. Iran successfully put its first satellite into orbit on 3 February. The launch drew immediate criticism from the US administration, with White House spokesman Robert Gibbs saying:

“Efforts to develop missile delivery capability, efforts that continue on an illicit nuclear programme, or threats that Iran makes toward Israel, and its sponsorship of terror are of acute concern to this administration.” (03/02/09)

- On 12 November 2008 Iran announced that it had test-fired Sajil, a new two-stage solid fuel, ballistic missile with a range of 2,000 kilometers, placing Moscow, Athens and southern Italy in striking distance. Uzi Rabin, former director of Israel’s Ballistic Missile Defense Organisation said that the test “places Iran in the realm of multiple-stage missiles, which means that they are on the way to having intercontinental ballistic missile capabilities.”
- Iran’s technological developments have been accompanied by consistent threatening rhetoric against Israel, dating back to 26 October 2005, when Iranian President Mahmoud Ahmadinejad first called for the country to be “wiped off the map.”