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WHAT'S IN THE DRAFT NUCLEAR DEAL WITH IRAN?

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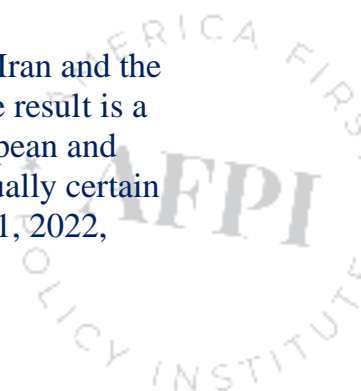
TOPLINE POINTS

- U.S. and European officials negotiated a complex four-stage draft nuclear deal with Iran that reportedly was close to being agreed to in late August.
- This deal was stalled – and may have been killed – by additional unreasonable Iranian demands on September 1.
- Israeli officials and a growing bipartisan group of Members of Congress believe this new agreement contains dangerous concessions to Iran and are pressuring the Biden Administration to reject it and end the negotiations.

From April 2021 until late June 2022, efforts by European states, the U.S., Russia, and China to reverse President Donald J. Trump’s withdrawal from the 2015 nuclear deal with Iran (the JCPOA) were stalled. President Trump criticized the JCPOA as “the worst deal ever” for its weak verification provisions, failure to address the full range of threats posed by Iran, and short duration.

Even though the Biden Administration made concessions to Iran that were so generous (and dangerous) that three Biden officials resigned from the negotiating team, Iran would not budge. Iran refused to negotiate in good faith by continually reopening issues that had been resolved and making unreasonable demands. After talks held in Doha, Qatar, in late June failed, prospects for a new agreement appeared bleak.

After the Qatar talks, European states regrouped and began negotiations with Iran and the United States to reach an agreement they hoped would break the impasse. The result is a draft four-stage agreement to “reimplement” the JCPOA over 165 days. European and U.S. officials claimed in late August that the United States and Iran were virtually certain to accept this deal. However, this agreement appeared to crash on September 1, 2022,



when Iran provided a response that European and U.S. officials called “disappointing,” “not at all encouraging,” and a “step backwards.”

This draft agreement came closer than in previous attempts over the last 17 months to resolving differences and coming to a resolution. The Biden Administration’s willingness to make new compromises to reach this agreement may have been the upcoming mid-term election and low poll ratings. Iran may have expressed a new willingness to deal to take advantage of high oil prices and the financial windfall it would receive from the agreement.

Below is what is known from press reporting about the draft new nuclear agreement with Iran.

Four Stages Over 165 Days

This nuclear deal is designed to bring Iran and the U.S. into an agreement that would reimplement the JCPOA over a period of 165 days. Iran would receive concessions during this period as it met specific benchmarks. The deal has four stages.

The First Stage, also called “Day Zero,” is the day the agreement is signed or agreed to. To reach this stage, both sides are to agree on a deal to release American prisoners held by Iran in exchange for unfreezing about \$7 billion in Iranian funds from South Korean banks and a partial lifting of U.S. sanctions. In addition, Iran is to halt declared nuclear activities which violate the JCPOA but would be allowed to retain uranium enriched in excess of this agreement. Iran also must reduce the level of its uranium enrichment from 60% uranium-235 (a level very close to weapons-grade uranium) to 20%.

The Second Stage is a period when the U.S. Congress would approve the new agreement, beginning no more than five days after it is agreed to. The House and Senate would have 30 days to approve the deal with a simple majority. If Congress rejected a resolution of approval, President Biden could approve it using his veto override power.

This provision is in response to an Iranian demand for guarantees that a future U.S. president not withdraw from the agreement and is similar to congressional votes on the JCPOA in September 2015. At that time, after both houses failed to approve the agreement, it was approved anyway when Senate Democrats used the filibuster to block a Senate rejection. This procedure is controversial since it violates Article II, Section 2 of the U.S. Constitution, which states that the Senate must ratify treaties with a two-thirds vote.

In the Third Stage, 60 days after the U.S. Congress approves the agreement, the United States will inform the U.N. Security Council and the International Atomic Energy



Agency of its intention to implement the new nuclear deal. The U.S. would also give a one-time sanctions exemption allowing Iran to sell 50 million barrels of oil and would lift sanctions on energy and aviation transactions with Iran.

The Fourth Stage, to begin 60 days after the third, is to be known as “Reimplementation Day,” when full implementation of the new agreement would begin. The U.S. and Iran will issue joint declarations stating their commitment to the deal. The U.S. would lift some sanctions imposed on Iran during the Trump Administration, but it is unclear which sanctions would be included.

During the Fourth Stage and 165 days after the deal was agreed to, the U.S. would lift “harsh remaining sanctions.” It is unclear what these would be and whether this would include non-nuclear sanctions, such as those concerning terrorism. Iran will remove “surplus enrichment infrastructure” starting on this date and place most of its advanced uranium centrifuges in storage. Under the agreement, Iran would not destroy centrifuges or send any out of the country.

By the beginning of the Fourth Stage, Iran is supposed to answer the International Atomic Energy Agency’s (IAEA) questions about uranium traces found at three undeclared nuclear sites. This appeared to be the same dodgy procedure used in late 2015 to resolve questions about covert Iranian nuclear activities before the JCPOA was implemented.

Why the Draft New Nuclear Deal Has Stalled

Until late August 2022, U.S. and European officials claimed they were closer than ever to a new nuclear deal with Iran. European officials sent drafts of the agreement to U.S. and Iranian officials for their reactions. After several rounds of revisions, Iran responded on September 1, 2022 with what a European official described as “a disappointing response . . . and definitely an unreasonable one.” U.S. officials also regretted Iran’s response.

Iran’s new demands reportedly are a guarantee that a future U.S. president would not withdraw from the agreement and a halt to IAEA investigations of evidence of covert nuclear weapons work.

Ending IAEA investigations appeared to be Iran’s major demand, and it walked back its previous agreement to European and American efforts to finesse this issue by allowing Iran to offer pro forma responses to the IAEA’s questions, followed by a quick closure of the investigations. Iran now appears to want these investigations closed before implementing the agreement.



Iran may have assumed that President Biden, facing a critical midterm election, would give into its latest demands. It is also possible that Iran was never sincere in its negotiations and was using them to buy time to advance its nuclear program and embarrass the United States.

The latest impasse over the deal appears to be, at least in part, because Biden Administration officials began taking a tougher line in the nuclear talks in late August due to growing opposition to the draft nuclear deal by Members of Congress and Israel.

Many Members of Congress were upset at the financial windfall Iran would receive from the deal and its failure to halt Iran's sponsorship of terrorism, meddling in regional disputes, and Iran's missile program. Several of them objected that the JCPOA's short sunset clauses would remain and Iran would not give up its advanced centrifuges, which it developed in violation of the JCPOA.

Many in Congress also are concerned that Iran used the last 17 months of deadlocked negotiations to surge its nuclear program, including enriching uranium to 60% uranium-235 for the first time, a level much closer to weapons grade. Iran also installed highly advanced centrifuges to enrich uranium since President Biden entered office, allowing it to enrich larger amounts of uranium faster. The IAEA warned this week of a major expansion in this effort in a new [report](#).

A particularly sensitive issue for many Members of Congress is Iran's rejection of language in the deal to stop attempting to kill U.S. citizens. Congressional anger over this issue is in response to an August 10, 2022 indictment of an Iranian national for a plot to [assassinate](#) former National Security Council Adviser John Bolton, reported Iranian plots to kill other current and former U.S. officials, including former Secretary of State Mike Pompeo, and two attempts to kill or assassinate Iranian-American journalist and human rights activist [Masih Alinejad](#) from her home in New York City in late 2020 and July 2022.

In the below tweet, Hillel Neuer, an international lawyer and human rights activist, summed up increased hostility by Members of Congress and many experts to the nuclear talks with Iran after the second Iranian attempt to capture or kill Alinejad in July 2022.





Congressional and Israeli concerns about an imminent nuclear deal with Iran surged in August and early September 2022. A group of 30 House Members—an unprecedented 34 Democrats and 16 Republicans—sent a [letter](#) to President Biden on September 1, 2022 expressing their “deep concern” about U.S. concessions in the draft nuclear deal, especially lifting terrorism-related sanctions. In addition, 33 Republican senators sent a [letter](#) to the president on August 8 expressing their grave reservations with the draft deal and demanding it be submitted for approval by Congress.

Biden Administration officials tried to reassure Congress about the draft nuclear deal by claiming Israel supported it. Israeli officials quickly disputed this, making clear their strong opposition and that if implemented, Israel would not halt its efforts to stop Iran’s pursuit of nuclear weapons, implying that Israeli sabotage of Iranian nuclear facilities would continue. In addition, over 5,000 former senior Israeli defense officers sent a [letter](#) to President Biden on September 1, 2022 asking him not to sign a new nuclear deal with Iran which they believe would be a “windfall to Iranian terror.”

This pressure from those in Congress and Israel appeared to convince Biden Administration officials to cease offering Iran more concessions on the new nuclear deal, at least until after the mid-term election.

As of now, the next steps regarding the new nuclear deal are uncertain. European states are pressing Iran to compromise. Indirect negotiations in Vienna could resume. Many observers believe the Biden Administration will push for a delay in a new agreement—if one is possible—until after the mid-term election in November.

Fred Fleitz served in national security for 25 years with the CIA, DIA, State Department, and the House Intelligence Committee. In 2018, he was Chief of Staff of the Trump National Security Council. Fleitz is Vice Chair of the Center for American Security at the America First Policy Institute.

