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## The Joint Comprehensive Plan of Action and Relations with Iran

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In 2015, the Obama-Biden Administration, along with the United Kingdom, France, Russia, China, Germany, and the European Union, brokered the Joint Comprehensive Plan of Action (JCPOA) - also known as the Iran Nuclear Deal - with the Islamic Republic of Iran. The deal placed significant restrictions on Iran's nuclear program in exchange for sanctions relief. On May 8, 2018, the Trump Administration unilaterally withdrew the U.S. from the JCPOA and reimposed sanctions on Iran. Iran maintained compliance with the deal for a full year after the U.S. withdrew, at which point it began to breach the limits on its nuclear program. On April 6, 2021, the remaining signatories to the deal and representatives from the Biden Administration met in Vienna, Austria to begin indirect negotiations to bring both the U.S. and Iran back into compliance with the agreement.

### Requirements Under the JCPOA

Under the JCPOA, Iran is required to significantly roll back its nuclear program. Specifically, [Iran must](#):

- Reduce the centrifuges it produces enriched uranium with to 5,060 [IR-1s](#)
- Cap its enrichment of uranium at 3.67%, which is far below weapons grade
- Keep its stockpile of enriched uranium at or under 300 kilograms for 15 years
- Reduce the nuclear enrichment operations at its Natanz facility
- Halt uranium enrichment at its Fordow facility and convert it into a research center
- Convert the Arak reactor to a proliferation resistant model

In addition to restricting its nuclear program, Iran must comply with a stringent inspections regime to be conducted by the International Atomic Energy Agency (IAEA), the United Nation's nuclear watchdog. This monitoring system is designed to verify that Iran does not violate any portion of the deal. IAEA inspections include:

- Monitoring Iran's uranium enrichment plants and centrifuge production facilities
- Access to undeclared sites to investigate evidence of undeclared activities
- Permanent prohibition of certain weaponization activities
- Continuous surveillance at certain key nuclear facilities
- Monitoring enrichment levels in real time

The JCPOA also created a “Joint Commission” which consists of all signatories to the deal. The Joint Commission:

- Monitors implementation of the JCPOA and resolves any disputes that arise
- Can grant IAEA inspectors access to suspicious and undeclared sites with a majority vote, if Iran and the IAEA cannot agree on access
- Oversees the transfer of nuclear-related or dual-use materials

In exchange for Iran significantly scaling down its nuclear program and complying with IAEA inspections, the other parties of the deal agreed to grant Iran relief from the following nuclear-related sanctions:

- UN sanctions imposed due to Iran’s nuclear program
- Economic sanctions imposed by the U.S. on Iran’s oil and banking sector
- Sanctions imposed by the EU related to Iran’s nuclear program
- U.S. sanctions on Iran’s [financial and trade institutions](#), such as its Central Bank
- Secondary sanctions on Iran’s oil companies and economic institutions<sup>1</sup>

Prior to the official implementation of the JCPOA, and for Iran to receive sanctions relief, the IAEA had to ensure that Iran complied with the [following conditions](#). Iran met these conditions in January 2016:

- Dismantling approximately 13,000 centrifuges
- Reducing its uranium stockpile by 97%
- Disabling the core of the Arak reactor

The JCPOA stipulates that only nuclear-related sanctions will be lifted from Iran. The [following sanctions](#) will remain in place:

- Sanctions on missile technologies and conventional weapons<sup>2</sup>
- Terror sanctions related to Iran’s classification as a state sponsor of terrorism
- Targeted sanctions on individuals who support Iran’s engagement with terror networks
- Sanctions on Iran’s ballistic missile program
- Sanctions related to human rights abuses
- Sanctions on Iran’s support for proxies in Syria and Yemen

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<sup>1</sup> Secondary sanctions created an environment in which no foreign companies or countries would risk business with Iran due to the power of the U.S. dollar and its influence in the global economy

<sup>2</sup> UN sanctions on Iran’s conventional arms trade were lifted in October 2020. UN missile restrictions will be lifted in 2023

## The Impact of Sanctions on Iran

Prior to the implementation of the JCPOA, Iran's economy was in a recession and its currency was depreciating. When the JCPOA was implemented, Iran was granted sanctions relief and was able to export oil, access international financial systems, un-freeze its assets abroad, and import critical resources, like food, fuel, and medicine. Following the first year after the JCPOA was implemented, Iran's GDP grew [12.5%](#) mostly due to its oil exports and an influx of trade, mostly with the EU. Once sanctions were lifted, Iran began exporting more than [2.1 million barrels of oil](#) per day.

In May 2018, when President Trump withdrew from the deal, he also re-imposed sanctions on Iran, including sanctions unrelated to Iran's nuclear program. President Trump referred to this as a "maximum pressure campaign." About two-years after President Trump re-imposed sanctions, Iran's oil exports dropped to less than [300,000](#) barrels per day. In October 2020, the U.S. imposed additional sanctions on [18 major banks in Iran](#), which further depreciated the value of Iran's rial against the U.S. dollar. Sanctions also diminished [foreign investment](#) in Iran and prevented U.S. companies, as well as foreign firms and countries, from trading with Iran. In May 2019, one year after violating the deal, President Trump put further restrictions on Iran's banking and oil sector saying he "intended to bring Iran's oil exports to zero."

The sanctions that President Trump re-imposed and non-nuclear related sanctions imposed after 2018 [include](#):

- Sanctions on the Central Bank of Iran (CBI) and other financial institutions<sup>3</sup>
- Terrorism sanctions on Iran's fossil fuel industry
- Sanctions on government leaders, including the Supreme Leader Ayatollah Khomeini, Iran's foreign minister, Javad Zarif, and various officials in the Iran Revolutionary Guard Corps

These sanctions have had the following negative impacts on Iran's economy and its people:

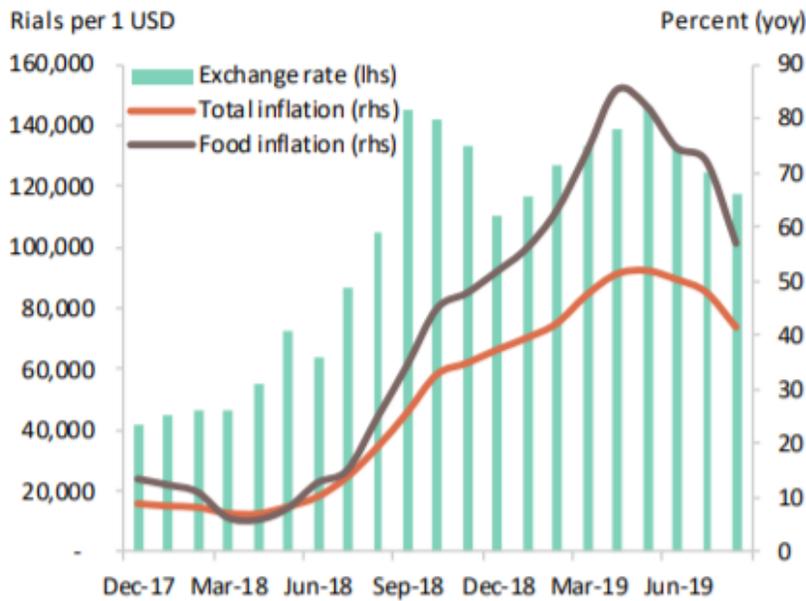
- A weak currency and high inflation
  - In unofficial markets, [the rial is valued at 250,000 per U.S. dollar](#)
  - Iran's central bank values the rial at 42,000 per U.S. dollar, the rate used to import goods and for other trade matters
  - Inflation has increased the price for importing goods and the cost of living for most Iranians
  - The World Bank has stated that food inflation has been especially high, with meat being [116% more expensive in April 2019](#), about one year after

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<sup>3</sup> The CBI is crucial to trade and investment and growing Iran's economy; sanctions on the CBI have disrupted Iran's ability to import [humanitarian goods](#)

President Trump re-imposed sanctions. Rural populations have been disproportionately affected by food inflation. See the chart below ([source](#)) which outlines inflation and food inflation in Iran from December 2017-June 2019

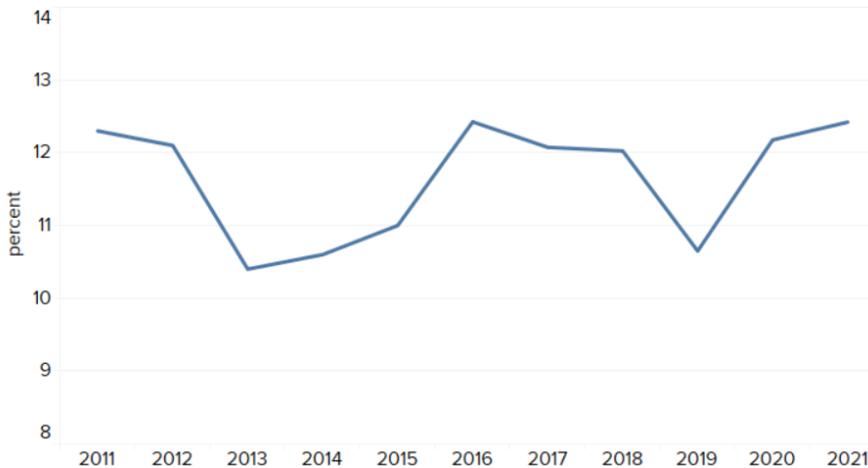
**FIGURE 1 Islamic Republic of Iran / Exchange rate and inflation**



- **Trade:** According to the International Monetary Fund (IMF), Iran had a [trade surplus](#) of \$6.11 billion in 2019. In 2020, Iran was in a trade deficit of \$3.45 billion
- **Jobs:** The IMF has estimated that unemployment is expected to increase by 12.4% in 2021. See the chart below ([source](#)) which shows how sanctions have contributed to a weak job market in Iran from 2011 to 2021

**Unemployment is projected to rise in 2020 and 2021**

Figures used for 2020 and 2021 are IMF estimates



- Sanctions have [prevented Iranian students](#) at American universities from entering the U.S. or accessing classes online during the COVID-19 pandemic
- Iran is unable to import [vital resources](#) to fight the COVID-19 pandemic, such as [PPE, medicine](#), and the [vaccine](#), because of sanctions

Iran's response to these sanctions was not immediate. For the first year after the U.S. violated the deal and re-imposed sanctions, Iran continued to comply with the deal and reduce its nuclear program and allow access to IAEA inspectors. However, a little over one year after the U.S. withdrew from the JCPOA, Iran responded by restarting its nuclear program. On July 1, 2019, [Iran breached its stockpile](#) of 300 kilograms of uranium and began enriching uranium above 3.67%. By the time President Trump left office, Iran increased its uranium stockpile to above [300 kilograms](#), enriched uranium to [20%](#), and installed more advanced [centrifuges](#).

### Actions in Congress

Below is a breakdown of the various actions Congress has taken related to the JCPOA as well as relations with Iran:

<b>Bill/Amendment Name/Number</b>	<b>Summary</b>	<b>Status/Outcome</b>
<a href="#">Iran Nuclear Agreement Review Act (INARA)</a>	The JCPOA negotiated by the P5 + Germany, the EU, and Iran. Required the President to certify to Congress that Iran will curb its nuclear activities. The president must inform Congress of sanctions relief by the US and the UN	Officially adopted by Congress in May 2015 upon receipt from President Obama
<a href="#">S.1790 - National Defense Authorization Act (NDAA) for FY2020</a>	Amendment introduced by Sen. Tom Udall in June 2019, which prohibited unauthorized military action against Iran	Received a majority vote in the Senate, however, was unable to reach the 60-vote threshold
<a href="#">H.R.2500 - NDAA for FY2020</a>	Amendment introduced by Rep. Ro Khanna, which prohibited unauthorized military force against Iran	Passed the House by a vote of 251 to 170 in July 2019

<a href="#">H.Con.Res.83</a>	Requires the president to terminate all military engagement in Iran that does that have congressional approval or a declaration of war	Passed the House by a vote of 224 to 194 in January 2020
<a href="#">No War Against Iran Act</a>	Prohibits the President from engaging in hostilities against Iran without congressional approval	Passed the House in January 2020, shortly after President Trump ordered an airstrike that killed Iranian general Qasem Soleimani
<a href="#">Iran War Powers Resolution</a>	Required the president to terminate all hostilities with Iran and prevented any military engagement without congressional approval	Passed by the House and Senate in March 2020; Vetoed by President Trump In May 2020; The Senate failed to override the veto
FY2021 NDAA	House included the No War Against Iran Act in the FY2021 NDAA in July 2020	<a href="#">Removed during conference negotiations</a>
<a href="#">Iran Diplomacy Act of 2021</a>	Called for the U.S. and Iran to promptly return to full compliance with the JCPOA	Introduced in February 2021 by Sen. Ed Markey
<a href="#">H.Res.214</a>	Condemns Iran's actions to enrich uranium to 20% and calls on Iran to abandon its nuclear program	Introduced by Rep. Elaine Luria in March 2021

**Actions by the Executive Branch**

**President Barack Obama:** President Obama worked with his counterparts from the four other permanent members of the U.N. Security Council, Germany, the European Union, and Iran to address Iran's increasingly expansive nuclear program. The chart

below describes [Iran's nuclear activity](#) before and after January 16, 2016, the day JCPOA was implemented.

<b>Before January 16, 2016</b>	<b>After January 16, 2016</b>
Iran had 20,000 centrifuges	two -thirds of these were eliminated
Stockpile of enriched uranium was capable of building ten nuclear bombs	Iran's stockpile decreased by 98%
Close to completing construction on a reactor that could produce plutonium	The core of the reactor was pulled out and filled with concrete, rendering it incapable of producing plutonium
The IAEA had little access to specific nuclear facilities only	IAEA inspectors were granted regular access to all facilities a part of Iran's nuclear program
Iran was 2-3 months from creating a nuclear weapon	Pushed the break-out time to one year

President Obama hailed the JCPOA as a diplomatic success story in which the world's leading powers came together to nonviolently find a solution to a growing problem. As noted above, the JCPOA lifted sanctions on Iran, unfroze its money, and allowed Iran to resume oil exports which boosted its GDP, grew its economy, and helped poor communities access everyday necessities.

Obama acknowledged that the deal was not designed to address all concerns with Iran, but that "engaging directly" opened up other opportunities for diplomatic engagement. For example, shortly before the JCPOA was implemented, U.S. sailors accidentally waded into waters in the Persian Gulf and were arrested by Iranian authorities. Due to diplomatic channels established during JCPOA negotiations, the U.S. was able to secure the release of these American citizens within 24 hours.

**President Donald Trump:** On May 8, 2018, President Trump declared that the U.S. would withdraw from the JCPOA and re-impose sanctions on Iran, fulfilling one of his campaign promises, in which he referred to the JCPOA as the "[worst deal ever.](#)" Trump cited sunset provisions in the deal, the fact that it did not address Iran's ballistic missile program, and that Iran was allowed to begin re-enriching some uranium after a decade as the reasons to withdraw, claiming that he wanted a "lasting solution." He also emphasized Iran's support for various terrorist groups as reasons that Iran should not be granted sanctions relief and should instead suffer under his "maximum pressure campaign."

The Joint Commission created under the JCPOA, allowed for resolving any disputes and concerns that arise from any of the signatories. Yet President Trump did not utilize this avenue to address his concerns. Because he did not consult with the Joint Commission, Trump's withdrawal from the deal was in violation of the terms of the agreement.

In addition to violating the deal and re-imposing sanctions, Trump severely escalated tensions with Iran and almost brought the U.S. and Iran to the brink of war. In January 2020, President Trump ordered a drone strike that killed Iran's top commander, [Qasem Soleimani](#). In November 2020, Trump asked his senior advisors to provide him with options for [striking Iran's main nuclear site](#). A few weeks later, Iran's top nuclear scientist, [Mohsen Fakhrizadeh](#), was assassinated; an attack that Iran attributes to Israel.

**President Joe Biden:** As Vice-President, Joe Biden was a part of the administration that brokered the JCPOA and was a strong proponent of it. One of his presidential campaign promises was to return to the deal and, in an [op-ed](#), candidate Joe Biden wrote that Trump's "maximum pressure campaign" was a "dangerous failure." President Biden has not yet returned to American commitments in the deal and continues to impose nuclear and non-nuclear related sanctions on Iran. About a week after taking office, President Biden appointed [Robert Malley](#), a foreign policy expert who served on President Obama's negotiating team for the JCPOA, as special envoy to Iran.

President Biden has stated that the U.S. will return to the deal if Iran resumes its compliance with the accord, what some Senators refer to as a "[compliance-for-compliance](#)" approach. Iran has responded by saying that since the U.S. was the party to leave the deal, it should be the first to return to it. [Trump loyalists in Congress have](#) urged President Biden not to return to the JCPOA until the U.S. can extract more concessions from Iran, particularly on its ballistic missile program, and former Trump advisor, [Jared Kushner, has praised Biden](#) for not returning to the deal. In April 2021, the Biden Administration agreed to begin indirect talks with Iran to negotiate a return to the deal.

## **Developments during indirect negotiations**

On April 6, 2021, signatories to the JCPOA gathered in Vienna, Austria to begin indirect negotiations to bring both the U.S. and Iran back into compliance with the agreement. The EU acted as a mediator during the talks and engaged in "shuttle diplomacy" between the remaining parties to the deal and the U.S. The talks have been characterized by some involved as "promising" and "hopeful" and many officials have expressed "[cautious optimism](#)" that an agreement could be reached.

The State Department has stated the talks are making positive progress, but continuously [downplay](#) the developments during negotiations.

Iran continues to [state](#) that it will not reduce its nuclear program until the U.S. lifts all sanctions, and the U.S. [says](#) it will not lift sanctions until Iran begins to scale down its nuclear program. However, the U.S. has stated that it is open to lifting sanctions that are [inconsistent](#) with the JCPOA. Iran has also rejected U.S. interests in “[sequential](#)” removal of sanctions, saying that it will only roll back its nuclear program if all sanctions are lifted in one action. Negotiations have led to the creation of [two working groups](#): one focusing on getting Iran back into compliance with its nuclear commitments and the second focusing on getting the U.S. to return to the deal and resume its commitments to sanctions relief. Later, a [third working group](#) was established to address sequencing the return of all sides to the JCPOA. Shortly after talks in Vienna got underway, Iran’s largest nuclear facility, [Natanz](#), was attacked by Israel in what has been called an “act of sabotage.”

## Key Dates in the JCPOA and Relations with Iran

Below are [key dates](#) related to the [JCPOA](#) and U.S. relations with Iran:

**July 14, 2015:** The Permanent Members of the United Nations Security Council, Germany, the EU, and Iran signed the JCPOA. Endorsed by U.N. Security Council Resolution (UNSCR) 2231.

**October 18, 2015:** The JCPOA was formally adopted and all sides began taking steps to meet their obligations under the deal.

**January 16, 2016 (Implementation Day) :** The IAEA verified that Iran has taken necessary steps to roll back its nuclear program. The IAEA’s certification triggers international sanctions relief.

**May 8, 2018:** President Trump unilaterally withdrew from the JCPOA and began his “maximum pressure campaign.”

**July 1, 2019:** Iran breached its stockpile of 300 kilograms of uranium and began enriching uranium above 3.67%.

**January 3, 2020:** The top commander in the Iranian Revolutionary Guards - Quds Force, Qasem Soleimani, is assassinated in a drone strike ordered by President Trump.

**March 11, 2020:** Congress passes Iran War Powers Resolution, which prevents the president from engaging in military hostilities with Iran without congressional authorization.

**May 6, 2020:** President Trump vetoes Iran War Powers Resolution.

**May 7, 2020:** The Senate failed to override Trump's veto of the Iran War Powers Resolution.

**November 30, 2020:** Iran's top nuclear scientist, Mohsen Fakhrizadeh, is assassinated in an attack Iran attributes to Israel.

**April 6, 2021:** The remaining signatories to the deal (the United Kingdom, France, Russia, China, Germany, the EU, and Iran) and officials from the Biden Administration arrive in Vienna, Austria to begin indirect talks with the objective of bringing both the U.S. and Iran back into compliance with the JCPOA.

**April 11, 2021:** Iran's largest nuclear enrichment facility, Natanz, is attacked by Israel.

**October 2023 (Transition Day):** The U.N. lifts restrictions on Iran's missile program, the EU terminates nuclear sanctions, the U.S. removes certain entities from its list of sanctions, and the U.S. President is required to seek the termination of legislative sanctions passed by Congress.

**October 2025 (Termination Day):** UNSCR 2231 is terminated and certain restrictions on Iran's nuclear program begin to expire.

## Conclusion

The JCPOA exemplified effective diplomacy. Prior to the U.S. withdrawal in 2018, the JCPOA was working exactly as intended. The idea of a nuclear-armed Iran was becoming less realistic, Iran's economy experienced rapid growth, and more people were able to access basic needs like food, medicine, and jobs. President Trump's unilateral decision to withdraw from the deal and re-impose sanctions has deteriorated Iran's economy, increased hardships for poor communities, and created more obstacles for Iran to import vital medical resources to fight the COVID-19 pandemic. If President Biden really wants to pursue a foreign policy that is centered on human rights and diplomacy, then it will be imperative to swiftly return to compliance with the JCPOA and lift sanctions on Iran.

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