

International Trade Alert

April 2, 2015

Negotiators Agree on Iran Deal Framework Providing Basis for Limited Easing of Sanctions

Today, negotiators from the United States, Iran and other world powers announced they have agreed on a framework for a Joint Comprehensive Plan of Action regarding Iran's nuclear program to be finalized by June 30, 2015. This framework provides a path towards potential easing of international sanctions on Iran, if negotiators succeed in working out a final agreement with Iran in the weeks ahead. However, there have been no changes yet in established U.S. and EU sanctions measures. Moreover, the scope of potential sanctions relief ultimately possible through this process appears to be limited to sanctions measures that focus on Iran's nuclear program and does not extend to other Iran sanctions connected with antiterrorism and proliferation.

A White House press release issued earlier today states that Iran has agreed to reduce its number of centrifuges and enriched uranium stockpiles associated with its nuclear program, limit its uranium enrichment activities in specific facilities and grant the International Atomic Energy Agency (IAEA) access to its nuclear facilities for greater transparency. Iran has reportedly also agreed to redesign its heavy water research reactor so that it can no longer produce weapons-grade plutonium and to remove all spent fuel produced by this reactor from the country. The framework further provides for implementation of these measures in phases extending over a 10- to 25-year period. Additional details are provided in the White House release, available here, and in a joint statement by EU High Representative Federica Mogherini and Iranian Foreign Minister Mohammad Javad Zarif, available here.

In initial discussions of these developments, officials at the U.S. Department of State have been quick to emphasize that all current U.S. sanctions laws and regulations still remain in effect and unchanged. U.S. and EU officials have further indicated that sanctions relief within the scope of this process will be limited to nuclear-related sanctions and will not extend to sanctions measures that are grounded in other policy concerns associated with Iran. Moreover, sanctions relief contemplated under the framework would be subject to implementation only after the IAEA provides verification that Iran has met its nuclear commitments.

The joint statement issued by the European Union and Iran states that a new United Nations (UN) Security Council Resolution will, among other things, "terminate all previous nuclear-related resolutions." Similarly, the White House press release states that all past UN Security Council resolutions on the Iran nuclear issue will be lifted simultaneously with Iran's completion of its nuclear-related commitments. According to the framework, if Iran fails to fulfill its commitments at any time, the suspended sanctions will be reinstated. Based on information available at this time, there is no indication that U.S. sanctions related to Iranian involvement in international terrorism, human rights abuses and missile proliferation will



be eased or altered in connection with this process. Accordingly, those sanctions measures are expected to remain in place regardless of Iran's fulfillment of its commitments on nuclear issues addressed within the framework agreement announced today.



Contact Information

If you have any questions regarding this alert, please contact:

Wynn H. Segall

wsegall@akingump.com 202.887.4573 Washington, D.C. Edward L. Rubinoff

erubinoff@akingump.com 202.887.4026 Washington, D.C. Jonathan C. Poling

jpoling@akingump.com 202.887.4029 Washington, D.C.

Nnedinma C. Ifudu Nweke

nifudu@akingump.com 202.887.4013 Washington, D.C.