



EVENT REPORT

Can the European Union Remain Connected to Iran?

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EUROPE

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On 22 January 2019, Vocal Europe and Science 14 hosted an expert panel to discuss the European Union's and Iran's strategic interests in preserving the nuclear deal, the most relevant issues that should be sought by the EU in its relation with Iran, the EU approach to US containment strategy towards Iran, and how EU diplomacy should address and pursue its interests in the region.

Background

The Trump administration's decisions to pull out of the nuclear deal on May 2018 and to unilaterally re-impose two waves of secondary sanctions against Iran are seeking, according to some commentators, not only to reshape Tehran's nuclear ambitions, but the country's domestic and regional policies as well.

These decisions have clearly added a strain to the transatlantic relation, placed the EU and the US on opposing sides, and highlighted two divergent political and diplomatic approaches with regard to Iran. At the same time, the EU/E3 (France, Germany, and United Kingdom) reiterated their commitment to maintain the agreement, to preserve its trade ties with Iran, and to protect the European companies from the impact of the sanctions.

In this regard, and following its exchanges with China and Russia, the EU took the decision to establish the Special Purpose Vehicle (SPV), a legal entity enabling financial transactions with Iran, which aims to provide the European companies a framework to continue to trade with Tehran, and, ultimately, to salvage the nuclear deal.

Event



Dr. Astrid Viaud, on the left

Dr. Astrid Viaud was the moderator of the event. She is doctorate researcher at the Institute of Political Science Louvain-Europe (ISPOLE) at the Catholic University of Louvain. Her thesis focused on the European Union's economic sanction policy in comparison to that of the United Nations (the cases of Iran, Syria and Russia). She has wrote several other papers on Iran and is considered an expert.



Henri Malosse, standing on the right

Henri Malosse, Honorary Chairman of Vocal Europe and Former President and Member of the European Economic and Social Committee (EESC), was delighted to open the event. He introduced the speakers on the panel and shared his experience on working on Iran. He gave a brief overview on the history between the EU and Iran and on which conditions brought us to the current state of affairs.

The relation between Iran and EU has been often inconsistent and characterized by numerous highs and lows. The relation steadily improved until 2002-2003, when there were debate tensions around the nuclear issue. Finally, after several years, the deal was signed and relations greatly improved. “We started again to see some European investments, European companies coming to Iran and an investing in Iran.”

Malosse went on to describe the unfortunate situation we are at today where the US decided to step away from the Iran deal. He then introduced the main questions for the debate:

- What are EU’s and Tehran's strategic interests in preserving the nuclear deal?
- What are the consequence of US sanctions? Can we accept for example that the U.S can impose to non-American companies U.S national law outside of its territory? Are the European Union, the European companies and the European Member States ready to accept that or not?
- Will the EU stick to the Iran Nuclear deal and how?

He finished by saying he was confident that this event would help shine more light on the situation and act as a platform for people to learn, discuss and search for solutions.



Pierre Vimont, in the middle

Pierre Vimont was the first Executive Secretary General of the European External Action Service. From March 2016 to January 2017, he served as the special envoy for the French initiative for a Middle East Peace Conference. He holds the title of Ambassador of France, a dignity bestowed for life to only a few French career diplomats.

He described the nuclear deal with Iran as “one of the few flagships of the European foreign policy”. He highlighted the relevance of the 2003 context, with France and Germany taking a strong stance against the Western intervention in Iraq and the UK supporting it. For the three foreign ministers, launching the initiative on the issue of the Iranian nuclear program was a way to stick together and come out of the polarized situation.

“Rather quickly, the three of them decided that it was important to get a sort of EU coverage. In other words, to ask Javier Solana to come in and chair the group in order to convince the other member states – they were 15 at the time – that this was really a full-fledged EU initiative and they had to work together”. Vimont compares this with the Ukrainian crisis, underlining the difference of mood and approach in comparison with ten years ago.

“We went open-eyed into that agreement. A lot of the negotiators knew that there were a lot of shortcomings and weaknesses... But was it better to have no deal rather than to have a deal that had shortcomings?” All partners are aware that the deal is far from being perfect, but it enables the EU to keep a foot into the monitoring of the whole Iranian system. There is still a need for dialogue; zero-sum agreements are not the way to create stability in the region.

Vimont also remarked that it would have been better, at the time of the negotiations, to involve other regional actors into the deal. This could have meant the creation of an increased stability in the Middle East, but the reality on the ground prevented it from happening. Instead, regional actors reacted to the deal with mistrust.

“It is interesting that, nearly one year after the American decision to withdraw from the JCPOA, Iran is still on board.” This could indicate an internal struggle to the regime between a more moderate and a more conservative fraction.

Europe needs to remain a relevant player to bring security in a close neighborhood and it should start from rebuilding trust in the region by sticking to the agreement and building progress in specific areas (e.g. Yemen conflict).



Cornelia Ernst

Cornelia Ernst, Cornelia Ernst is a German politician and a Member of the European Parliament. She is Vice-Chair of the European Parliament’s Delegation to the Islamic Republic of Iran. She is a member of The Left Party, part of the European United Left–Nordic Green Left. She was elected to the European Parliament in 2009, prior to which she had been a member of the Parliament of Saxony from 1998.

She spoke positively on EU-Iran relations. She stated that the EU is still interested in good cooperation with Iran. “When we were in Tehran in Iran, Mr. Zarif [Minister of Foreign Affairs] told us: Europeans and Iranians, **we are neighbors**. If you look at history, if you look at the present and all the problems in Iran and Europe, I think you have a common history with Iran. We have a neighborhood that includes a lot of economic interests and interests in human rights”.

“I think we should fight for the JCPOA (Joint Comprehensive Plan of Action). I know the situation is very problematic but we should pursue it. With the help of the accomplishment of the JCPOA, we can prepare a new basis for the relationship between Iran and Europe. I think the SPV can work, but we have some problems with the banking sector. Companies are afraid to invest in Iran due to US sanctions, if they are seen investing in Iran then none of the large US banks will do business with them. Big companies are afraid of going against the large US banks. I think the EU and Iran should at very least try to create a new ‘corridor’ of cooperation. This is not easy but I think at the least we should try.”

However, she goes to explain what proposals she was not in support of among those discussed recently in the EU delegation: “I’m against an option to whitelist companies who are not associated with terrorist networks. Okay, but who would prepare this type of whitelist? I don't know. I also believe creating a certification for companies in Iran would not be not so easy, I think it's not a realistic vision”.

She goes on to say, “ultimately, if we break away from the Iranians, we would lose all the progress we have achieved so far. I know personally myself what it’s like to live in a closed society, I lived in the GDR (German Democratic Republic) and know how complicated it can be. I have been to Iran and I have seen the good developments that the deal has caused and I know the people are waiting on us to come through on the deal. It would be a great disappointment to break this deal”.

She believes that Europe should try its best to remain connected to Iran in order to maintain their relation and foster development in the whole region. In finding that connection, we must strike a balance where both parties take something home and she feels the US aren’t very good at striking that balance. “It’s not easy, it takes time and we can achieve that connection together. We just have to overcome the opposition. It will require courage from the EU, more transparency from the Iranians, it’s still quite open both parties want to work together. I’m still optimistic.”



Janusz Lewandowski, on the right

Janusz Lewandowski is a member of the European Parliament and the chair of the Parliament’s Delegation to Iran.

“The Nuclear deal was about containing the nuclear race. This was not about human rights, this was not about conventional ballistic missiles, this was not about other issues. This was to contain nuclear race, which was a major danger in the region. And Iran was complying with the conditions of this deal.”

The US’ unilateral withdrawal only succeeded in reinforcing the conservative camp in Iran, as it undermined the promise made to the reformist camp and the Iranian youth for an economic dividend and for an opening of the country to business and tourism. The “ugly face of Iran”, which we will see more of, derives from the deep disappointment among the population caused by the failure to deliver on expectations on the economic dividend, which favors the conservative side.

The SVP is one of the possible solutions, among updating the Blocking Statute and extending the European Investment Bank to Iran (even against the EIB’s will), which should be introduced in a sort of “stick and carrot” approach to promote the chances for opening and moderation, preserve financial transactions, and protect European businesses.

The feeling in the streets of Tehran is that the younger generation is looking at Europe as a model for “good life”. It is important to influence development in Iran in order to give the Iranian youth a hope for a different life, which would in turn have a positive influence on the political class and on political developments in the country.

The EU does not have illusions about the human rights situation in the country or Iran’s destabilizing role in the region, but it should continue to try for its own security. Referring to the upcoming Mideast Conference in Warsaw, Lewandowski stated that it is important for EU member countries not to undertake unilateral actions, which would not be in compliance with the declared strategy of the EU.

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