



# Iran – JCPOA/Procurement Channel – eine Standortbestimmung

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*The content of this presentation is not binding and shall not be construed to have any legal effect*



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# Joint Comprehensive Plan of Action (JCPOA) concluded 14.05.2015





# Milestones

- 14 July 2015 (**Finalization Day**):  
Joint Comprehensive Plan of Action was reached by the E3/EU+3 and Iran
- 20 July 2015: Endorsement of JCPOA by UNSC Resolution 2231 (2015)
- 18 October 2015 (**Adoption Day**): JCPOA entered into force.
- 16 January 2016 (**Implementation Day**): IAEA report confirming Iran's  
Implementation of nuclear-related 2231-measures
- 18 October 2023 (**Transition Day**)
- 18 October 2025 (**Termination Day**)



# JCPOA

- JCPOA endorsed by the SC Resolution 2231 in July 2015
- JCPOA a robust, comprehensive and verifiable deal. A package, combining nuclear restrictions, enhanced transparency and verification measures with a phased lifting of sanctions.
- New dimension in relationship with Iran
- Mutual trust and verification
- Joint Commission
- Procurement Working Group



# Nuclear commitments under JCPOA

- Sharply curtail its uranium enrichment activities for 15 years
- Redesign the Arak heavy water reactor, cutting off any plutonium pathway to a nuclear weapon
- Limit research and development activities
- Strong monitoring and verification measures in place (IAEA)



# UNSC Resolution 2231

- Endorsement
- Annex A: JCPOA
  - Nuclear related measures
  - Sanctions related commitments
  - Civil nuclear cooperation
  - Joint Commission – Procurement Working Group
  - Implementation Plan
- Annex B: Statement
  - 5 years: Arms-related transfers; Travel Ban
  - 8 years: Restrictions on ballistic missile-related transfers and activities, Assets Freeze
  - 10 Years: Restrictions on nuclear-related transfers and activities (procurement channel)



# Sanctions Relief

- The UN Security Council adopted the new resolution 2231 (2015) endorsing the JCPOA and terminating all provisions of the previous UN Security Council resolutions relating to Iran
- The US suspends nuclear-related sanctions, including those related to banking, energy and trade
- The EU terminates all nuclear-related sanctions, including those related to banking, energy, and trade





# Civil Nuclear Cooperation

Key element of JCPOA, based on Annex III

- Areas of cooperation:
  - Reactors, fuels and associated technologies, facilities and processes
  - Research and development (R&D) practices
  - Nuclear safety, safeguards and security
  - Nuclear medicine and radioisotopes
  - Waste management and facilities decommissioning

***Civil Nuclear Cooperation projects have to comply with JCPOA Requirements; if needed, review by the Procurement Channel***



# EU Engagement in CNC

- Brussels kick-off Seminar in March 2017
- Next Seminar in November in Esfahan
- Budget by DG DEVCO:
  - 2,5 Mio € Nuclear Safety Cooperation
  - 2,5 Mio € stress tests for Bushehr
- Iran seeking cooperation with EURATOM / ITER
- TC projects with IAEA
- Bilateral MoUs with different EU MS
- ARAK modernisation Project
- Transformation Fordow into Technology Center



# Joint Commission

- Established under the JCPOA
- Consists of all members of the E3/EU+3 and Iran
- HRVP coordinates the work of the Joint Commission
- Oversees JCPOA implementation and addresses potential problems and disputes
- Procurement Working Group
- Technical Working Group
- Arak Working Group
- Sanctions Working Group



# What is the Procurement Channel?

- The Procurement Channel **reviews proposals** by States seeking to participate in or permit certain transfers of nuclear or dual-use goods, technology, and/ or related services to Iran.
- **States submit proposals** (application for export) to the Security Council.
- The Procurement Working Group of the Joint Commission will then **assess the application** and **provide a recommendation** to the Security Council.
- The Security Council will **decide** on the basis of this recommendation and **inform the State** about its decision.



# Tasks of PWG

- **Review and decide** on proposals for nuclear-related transfers and activities.
- **Report to the Security Council** every six months on the status of the PWG's decisions and on any further implementation issues.
- **Formulate and update** as required guidelines on the Procurement Channel, which are provided to the Security Council for publication on the UN website.
- Endeavour to **respond to requests** for guidance from third parties, as communicated by the Coordinator, within 9 working days.
- **Provide expertise** to the exporting state on end-use verification.



## PC Proposals cover

- Supply, sale or transfer of
  - nuclear and dual-use items, materials, equipment, goods, and technology for
  - nuclear and non-nuclear civilian end-uses (according to INFCIRC/254/Rev.13/Part 1 and/or INFCIRC/254/Rev.10/Part 2)
- Provision to Iran of
  - assistance or services related to the supply, sale, transfer, manufacture, or use of nuclear and dual-use goods
- Acquisition by Iran of
  - interest in certain commercial nuclear-related activity in another State and related investments



# PC Proposals cover

- The supply, sale or transfer of
  - any further items if the relevant state determines that they could contribute to activities inconsistent with the JCPOA (**catch all**)
- Also subject to procurement mechanism
  - Hot cells,
  - shielded cells or
  - shielded glove boxes

*For more detail see Annex B of UNSR 2231 and paragraph 6.1 of Annex IV of the JCPOA*



# Exemptions

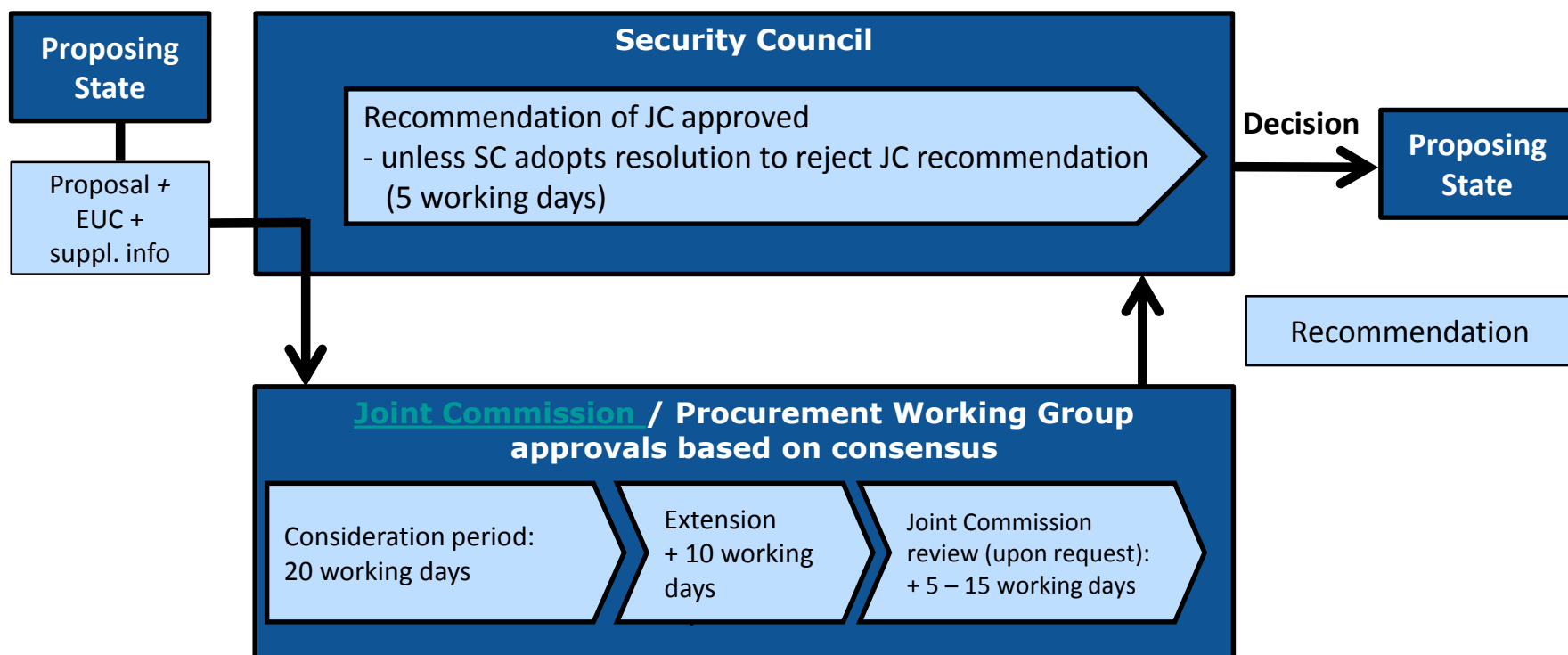
- For light water reactors:
  - Part 1-equipment;
  - LEU incorporated in nuclear fuel elements;
  - Part 2-items, materials, equipment, goods and technology;
- Goods, technology and services directly related to
  - stable isotope production at the Fordow facility;
  - export of Iran's enriched uranium in excess of 300 kg in return for natural uranium;
  - modernization of the Arak;

**According to Annex B of UNSR 2231, other requirements, such as pre-notification to the Security Council and/or the Joint Commission, must however be fulfilled.**





# How are Proposal decided?





Application Form

Filled out by  
Proposing State

End-Use-Certificate

Issued by AEOI  
or  
Ministry of  
Industry, Mine  
and Trade

Additional Documents

e.g. technical  
documentation  
...

### Necessary supporting information (Annex IV, 6.4.2):

- (a) description of the item;
- (b) exporting entity;
- (c) importing entity;
- (d) statement of the proposed end-use and end-use location, along with an end-use certification;

- (e) export license number, if available\*;
- (f) contract date, if available\*;
- (g) details on transportation, if available\*.

*\* to be submitted prior to shipment*

## Documents to be submitted

[SC-Resolution2231@un.org](mailto:SC-Resolution2231@un.org)

**Model Application Form and Model End-Use Certificate**

Available on the **website of the Security Council**

[www.un.org/en/sc/2231](http://www.un.org/en/sc/2231)

**Language:** One of the six official UN languages

**Translation**, if needed, before review by the Procurement Working Group by the UN Secretariat.



# Submission of Proposals

- Application form recommended
- Machine readable format helpful
- One of the six official UN languages
- Translation if needed by UNSC
- Review period starts when submitted to PWG
- Additional information: sufficient for validation
- Submission of Proposal to Security Council
- Incomplete proposals will likely be denied



# Resubmission of Disapprovals

- PWG may give reasons for Dissapproval
- Disapproved proposals can be resubmitted
- Reference number needed
- Explanation of changes / ammendments helpful



# Changes during Review Process

- **Resubmission necessary** in case of changes, in particular
  - description of the item
  - quantity
  - coordinates of the exporter
  - Coordinates of importer
  - statement of the proposed end-use / end-use location / EUC
- **No resubmission necessary**, but updated information, in case of changes of
  - export license number
  - contract date
  - details on transportation



# Information on Approval

1. Approval by UNSC
2. Letter of approval
3. Receptient: proposing state
4. Essential part of national approval
5. Additional document for authorities in case of transport, transfer etc.



# More than one state involved

- Responsibility: state firstly engaging in transfer
- Need not be the state of origin of the goods
- Application form provides involvement of additional states
- No separate approval necessary



# Additional Items and Activities

- One proposal can cover more than one activities such as
  - supply of several goods
  - supply together with related services
- Proposals should explicitly cover all possible activities and related services
- UNSC-Approvals cover also related activities, such as
  - financial,
  - transportation,
  - insurance transactions
- Information on these activities must be provided
- New proposal for any additional items not identified in the original proposal.





# Technical Information

- List of nuclear goods and technology: INFCIRC/254/Rev.13/Part 1
- List of dual-use goods and technology: INFCIRC/254/Rev.10/Part 2
- Classification of items against these lists necessary
- Relevant technical parameters
- Additional technical information as much as needed for classification
- In case of additional overlapping with MTCR: UNSC will decide



# End-user Certification

- Proposing States should confirm they have obtained and are in a position to exercise effectively a right to verify the end-use and location of end-use.
- Proposing State may provide further information on the intended measures to verify the end-use.
- EUC-signature for Iran's nuclear program by
  - **Atomic Energy Organization of Iran (AEOI)**
- EUC-signature for non-nuclear civilian end-use by
  - **Ministry of Industry, Mine and Trade of Iran**



# End-use Verification

- End-use-verification
  - IAEA responsible for Part 1 and Civil Nuclear Cooperation
  - Proposing state responsible for non-nuclear civilian end use
- Joint Commission may provide guidance, expertise

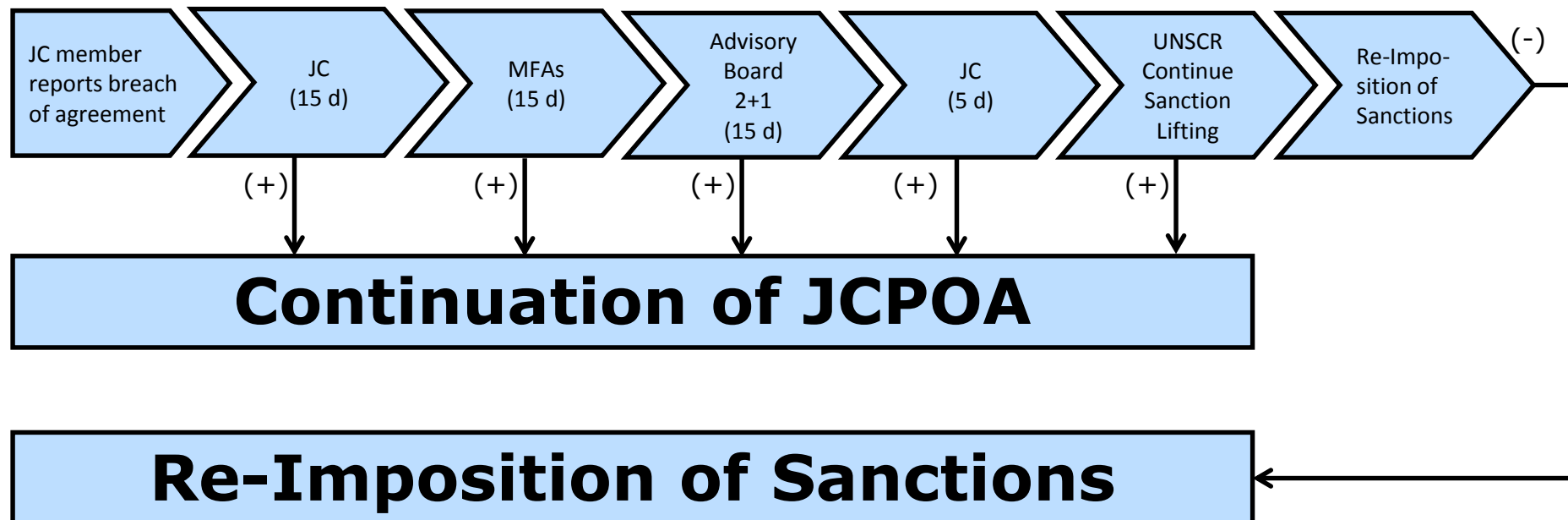


# Further relevant Provisions

- Snap back mechanism
- No retroactive effect
- Notification of the supply, sale or transfer to UNSC and IAEA: within 10 days
- Confidentiality
- Observers
- Temporary Transfers



# Dispute Resolution Mechanism





# Spectrum of current Proposals

## Goods:

- Machine tools
- Measurement devices
- Electrical equipment
- Materials
- Pumps
- SW

## Recipients:

- Automotive industry
- Construction Industry
- Pharmaceutical Industry
- Medical
- Civil Nuclear Programs
- Packaging Industry
- Plant Engineering
- Agricultural
- Petrochemical





# Trade and Investment

- EU-Iran trade amounted to € 13,7 billion during 2016, a 79 % rise (from 2015)
- Growth of Iranian imports from the EU has been 27 % in 2016
- Growth of Iranian exports to the EU was 345% in 2016 (mostly oil)
- Growth of 6.6% GDP for 2016/17 expected by IMF and ease at 3.3 % for 2017/18 (projected to stabilize at 4.5 percent)



# More information can be found on the dedicated webpages



**"Nuclear-related transfers and activities (procurement channel)"**

*<http://www.un.org/en/sc/2231/restrictions-nuclear.shtml>*



**Contact information:**

- Security Council: *[SC-Resolution2231@un.org](mailto:SC-Resolution2231@un.org)*
- Joint Commission/Procurement Working Group: *[pwg-enquire@eeas.europa.eu](mailto:pwg-enquire@eeas.europa.eu)*





# Thank you for your Attention !!!



**Questions  
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