Iran's Diplomacy Against the Backdrop of the Russian – Ukrainian War

LTC Andrea ZANINI, ITA A, Action Officer, CSAG/CCJ5

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Key Points

- The current Iranian strategy seems to be driven by de-linking regional diplomacy from nuclear diplomacy.
- After the outbreak of the Russian-Ukrainian war, Iran has sought to deepen relations with Russia and China.
- President Raisi's administration has focused on its neighborhood policy to render US economic sanctions
 and diplomatic isolation of Iran ineffective. Tehran also wants to mitigate the development of a strategic
 coalition against the country by its Gulf neighbors and Israel.
- Amidst the disruption of international trade and transport routes caused by the Russian—Ukrainian war
 and Western sanctions against Russia, Iran has seen a sudden rise in its importance as a transit and
 transport hub connecting China and Central Asia with Europe, and Russia with India, along the
 International North—South Transport Corridor (INSTC).

INTRODUCTION

In Iran, the administration of President Ebrahim Raisi continues its strive for regional diplomacy, as tensions with the West over its nuclear program continue to build up. The conservative president came to power in August 2021 with a promise of "extending a hand of friendship and brotherhood" to other nations in the Middle East. His officials continue to advocate for a balanced foreign policy approach, that does not neglect any opportunity to improve relations – except with Israel – but so far, his administration has been mostly successful in strengthening ties only with the East.

When the negotiations between Iran and the US in Doha ended on 29 June 2022, without breaking a four-month stalemate in nuclear talks, Iran and its Western interlocutors articulated very divergent views on the prospects for a revival of the Joint Comprehensive Plan of Action (JCPOA). On 5 July 2022, in a telephone call with his Qatari counterpart Mohammed bin Abdulrahman bin Jassim Al Thani, Iran's Foreign Minister Hossein Abdollahian noted his

¹ The Iran Primer, "Raisi's first moves in foreign policy", https://iranprimer.usip.org/blog/2021/sep/22/raisi%E2%80%99s-first-steps-foreign-policy

positive assessment of talks and underlined that Iran was determined to continue the negotiations "till a good, strong and lasting agreement is reached". He added that "if the US is realistic, an agreement will be achievable".²

Refuting claims by the US Special representative for Iran, Robert Malley, that Iran has been making "new demands", Abdollahian stated that one of the main issues was "effective guarantees" from the US side of "economic benefits" from the deal.³ When EU Foreign Policy Chief Josep Borrell, in his capacity as the chairman of the JCPOA joint-commission, proposed a new text to ensure the sustainability of the deal, Abdollahian once again stated that Iran "welcomes continuation of diplomacy".⁴

ANALYSIS

Iran's game of brinkmanship

The Raisi administration delayed the resumption of nuclear talks for four months after assuming office in August last year. By sticking to its key demands for guarantees and comprehensive sanctions relief, Iran aims to underline that the Trump-era "maximum pressure" campaign, continued under the Biden administration, will not lead to compromises on Tehran. Ever since the new Iranian team, led by Deputy Foreign Minister Ali Bagheri Kani, entered nuclear negotiations in November last year, its negotiating approach has been marked by brinkmanship.

Officials in the conservative Raisi administration contrast this approach with passive diplomacy, attributed to moderates and reformists who pursued a policy of dialogue and compromise while engaging with the West over Iran's nuclear file. After the IAEA Board of Governors passed the US and EU-3 drafted censure resolution against Iran in June 2022 for insufficient cooperation with the agency, Iran responded by disconnecting JCPOA-related monitoring cameras.⁵ In a further escalating step, Iran began enriching uranium to 20 percent using advanced IR-6 centrifuges at its second nuclear facility in Fordow in July.

When President Joe Biden, while visiting Israel, reaffirmed that his administration is open to the "military option" in case of failure of all diplomatic efforts to bring Iran back into compliance, Kamal Kharrazi, a senior advisor to Iran's Supreme Leader, noted that "Iran is technically capable of building a nuclear bomb, but has not decided whether to build one". 6 He went on to argue that the Biden administration's refusal on guarantees to preserve the nuclear deal precludes *de facto* the possibility of any agreement.

Faced with the US intransigence on key Iranian demands – including the removal of the Islamic Revolutionary Guard Corps (IRGC) from US State Department list of Foreign Terrorist Organisation (FTO) - Iran has maintained a positive outlook towards continuing diplomacy. While rejecting deadlines for concluding the negotiations, it has steadily advanced its nuclear program and limited its cooperation with the IAEA, thus playing on fears of its Western counterparts about its capability to reach the nuclear threshold and possibly achieve a breakthrough. Tehran seems to have calculated that, given US involvement in the Russia–Ukraine war and its strategic interests in containing China in the Indo-pacific, Washington will not seek a serious escalation with Iran by leaving the diplomatic path.

² Anadolu Agency, "Iran denies making new extravagant demands in Doha talks", https://www.aa.com.tr/en/middle-east/iran-denies-making-new-extravagant-demands-in-doha-talks/2631554

³ Ibid

⁴ Financial Times, "Now is the time to save the Iranian nuclear deal", https://www.ft.com/content/e759d274-7dba-4e78-851f-2775972f4c31

⁵ US DoD, "The IAEA Board of Governors resolution on Iran", https://www.state.gov/the-iaea-board-of-governors-resolution-on-iran/

⁶ Reuters, "Khamenei adviser says Tehran capable of building nuclear bomb, Al Jazeera reports", https://www.reuters.com/world/middle-east/khamenei-adviser-says-tehran-capable-building-nuclear-bomb-al-jazeera-2022-07-17/

Iran's dialogue with Saudi Arabia, which was initiated in parallel with the nuclear talks under the Rouhani administration, has progressed under Raisi, suggesting a dynamic independent of the progress of the nuclear talks. Iraq has mediated five rounds of Iran-Saudi dialogue at the level of security elites and focusing on ceasefire in Yemen, among other issues. As Iran works with Riyadh towards de-escalation and potential restoration of diplomatic ties, the Raisi government sees Iran's network of allies and non-state actors as having a crucial role in strengthening the country's political weight in regional diplomacy. Tehran knows that this is key to the resolution of multiple crises in the region.⁷

Iran's Supreme Leader, Ayatollah Khamenei, while hosting the Emir of Qatar in May 2022, underlined his support for what he described as "active diplomacy" to resolve regional issues by the countries of the region. Khamenei noted that the issues in Syria and Yemen can be resolved through dialogue. Of course, dialogue should not take place from a position of weakness while the other side - primarily the U.S. and others - depends on its strong military and financial power.

The Raisi administration has focused on its neighbourhood policy to render US economic sanctions and diplomatic isolation of Iran ineffective. Tehran also wants to mitigate the development of a strategic coalition against it by its Gulf neighbours and Israel. President Biden's July 2022 visits to Israel and then Saudi Arabia, where he attended a US-Arab summit, were aimed at stressing US leadership in the region, while also forging collective security efforts between Israel and US-Arab allies. Iran's Gulf neighbours, meanwhile, are using their ties with Israel to draw Iran into a serious dialogue on regional security issues. Abu Dhabi revealed that it was in the process of sending an ambassador to Tehran and sought diplomatic solution to address its concerns about Iran's regional activities. 9

The targeting of Gulf shipping in the summer of 2019¹⁰ and the incidents of drone attacks on energy facilities and critical infrastructure in the UAE and Saudi Arabia earlier this year¹¹ have also exposed the limitations of US security guarantees for these countries, leading them to seek a dialogue with Iran.

Furthermore, by hosting the Turkish and Russian presidents for the 7th trilateral summit in the Astana format on Syria soon after Biden's Middle East tour in July 2022, Tehran demonstrated the centrality of Russia and Iran in the Syrian theatre and the wider region. The three leaders sought to avoid new conflict in Syria by addressing Türkiye's security concerns from Kurdish groups, particularly the People's Defence Units (YPG), which has links with Türkiye's separatist Kurdish group, Kurdistan Workers Party (PKK). By reaffirming their ongoing cooperation in the fight against terrorist groups and a joint stand against "separatist agendas aimed at undermining the sovereignty and territorial integrity of Syria and threatening the national security of neighbouring countries", they agreed to find a political solution to the crisis.¹²

The Iranian and Russian Presidents also called for withdrawal of the "unjustifiable" presence of US forces from the eastern Euphrates River in north-eastern Syria. Both Russia and Iran support expanding sovereignty of the Syrian

⁷ Tehran Times, "Leader highlights Quds Force's role in strengthening Iran's foreign policy", https://www.tehrantimes.com/news/460529/Leader-highlights-Quds-Force-s-role-in-strengthening-Iran-foreign

⁸ Tehran Times, "Iran galvanizes regional diplomacy amid Israeli bluster", https://www.tehrantimes.com/news/475119/Iran-galvanizes-regional-diplomacy-amid-Israeli-bluster

⁹ Reuters, "UAE working to send envoy to Iran, against anti-Iran axis, official says", https://www.reuters.com/world/middle-east/uae-working-send-envoy-iran-against-anti-iran-axis-official-2022-07-15/

¹⁰ BBC News, "Gulf of Oman tanker attacks: What we know", <u>Gulf of Oman tanker attacks: What we know - BBC News</u>

¹¹ Reuters, "Yemen Houthis attack Saudi energy facilities, refinery output hit", <u>Yemen Houthis attack Saudi energy facilities, refinery output hit | Reuters</u>

¹² Daily Sabah, "Turkey, Russia, Iran to continue cooperation against terrorism in Syria", https://www.dailysabah.com/politics/diplomacy/turkey-russia-iran-to-continue-cooperation-against-terrorism-in-syria

government to north-eastern Syria where US-backed Syrian Democratic Forces (SDF) operate and deny them access to oil and gas fields in the region. Since the Israeli strikes on Damascus airport in June 2022, Russia has also increasingly criticized Israel's air strikes on Iranian assets in Syria.¹³

New opportunities due to the war in Ukraine

Simultaneously and parallel to his ability to pursue an effective nuclear diplomacy, Raisi has shaped his regional diplomacy to successfully exploit the economic consequences of the Russian-Ukrainian war. Amidst the disruption of international trade and transport routes caused by the Russian-Ukrainian war and Western sanctions on Russia, Iran has seen a sudden rise in its importance as a transit and transport hub connecting China and Central Asia to Europe, and also Russia with India along the International North-South Transport Corridor (INSTC). As Russia is focused on its war in Ukraine, Tehran fears the US taking advantage of a security vacuum in Central Asia. It therefore actively advocates collective regional efforts to deal with terrorism, as well as drug-trafficking from Afghanistan.

For the past 30 years since the emergence of independent neighbours in Central Asia and the South Caucasus, Iran has sought bilateral and multilateral cooperation and regional linkages to allow it to take advantage of its crossroad location between the Caspian Sea-Central Asia region and the Persian Gulf. In the post-Cold War geopolitical environment, Tehran saw the promotion of regional interaction and interregional connectivity as key to enhance socio-economic development, foster regional stability and security, and thus resisting the hegemonic role of extraregional powers.

Iran's pursuit of functional cooperation, especially in transport and energy development, have been largely welcomed by the Central Asian and Caspian countries, even as they have pursued similar cooperation with rival actors such as the European Union (EU) and Türkiye, whose approach has been aimed at undermining the influence of Iran and Russia.

<u>Central Asia to international markets in Europe and Asia.</u> President Raisi's administration has prioritised neighbourhood policy as a key pillar of "resistance economy", which is aimed at reducing vulnerability to US sanctions. Describing it as strategic policy, Raisi recently argued that his neighbourhood focus will not change with international developments. Raisi's first official visit abroad was to attend the summit of the Economic Cooperation Organisation (ECO) - made up of Central Asian and Caucasus states, apart from Iran, Türkiye, and Pakistan - in Ashgabat in November 2021. On the side-lines of the summit, Iran, Kazakhstan and Turkmenistan signed a tripartite Memorandum of Understanding on rail transport cooperation. 15

On 18 June 2022, the first Kazakh-sulphur freight train for Europe arrived in Iran from Incheh Borun at the Iran-Turkmenistan border. ¹⁶ A day later the cargo reached Tehran, where President Ebrahim Raisi, together with Kazakh

¹³ The Times of Israel, "Russia demands Israel unconditionally cease its unacceptable Syria airstrikes", https://www.timesofisrael.com/irresponsible-categorically-unacceptable-russia-pans-israel-for-syria-airstrikes/

¹⁴ Tehran Times, "Iran ramps up neighborhood diplomacy", https://www.tehrantimes.com/news/474251/Iran-ramps-up-neighborhood-diplomacy

¹⁵ Tehran Times, "1st Kazakhstan – Turkey transit train arrives in Iran", https://www.tehrantimes.com/news/473795/1st-Kazakhstan-Turkey-transit-train-arrives-in-Iran

¹⁶ Iran Gov, "Transit through Kazakhstan – Turkmenistan – Iran – Turkey corridor launched", https://irangov.ir/detail/389590

President Kassym-Jomart Tokayev, launched the Kazakhstan-Turkmenistan-Iran (KTI) transit corridor, also called the Southern Caspian Sea Corridor to Europe via Türkiye.¹⁷

Just a week before Tokayev's visit to Tehran, the President of Turkmenistan also visited Tehran and signed bilateral agreements for advancing economic cooperation, especially in transport and oil and natural gas sectors. The Iran—Turkmenistan—Kazakhstan Railway, also called the North—South Railway Corridor because it's part of the INSTC, has been in operation for years. The 80 km railway line from Incheh Borun on the Iran—Turkmenistan border to Gorgan in Iran's Golestan Province was inaugurated in December 2014. Since the Incheh Borun—Gorgan Railway Line connects the railway networks of Russia, Kazakhstan, Turkmenistan and Iran, and is aligned with Russia's objective of a North—South transport corridor through Central Asia and Iran to India, the Russian Railways signed an agreement with Iranian Railway in 2017 to electrify the 500 km line from Incheh Borun to Garmsar on the Tehran—Mashhad main line. This project was to be funded from a US \$5 billion credit line from Russia for infrastructure projects in Iran. Russia withdrew from the project in 2020, but it pledged to revive the credit line during Raisi's visit to Moscow in January 2022.

The credit line will help complete two INSTC-related railway projects in Iran which will connect the railway networks of Iran, Azerbaijan, and Russia. Russia is currently facing major logistical challenges after its European neighbours closed borders with Russia and Belarus. Western sanctions have forced Maersk, the world's largest container operator, and other major freight forwarding companies, to halt deliveries to Russia. In May, Russian Transport Minister Vitaly Savelyev claimed that the Western sanctions had "practically broken all" logistics corridors utilised by the country for commerce. As a result, Moscow is attaching new priority to Eurasian connectivity and expediting alternative transport routes to South Asia. Russian Deputy Prime Minister, Alexander Novak, while visiting Tehran in May 2022, underscored Moscow's commitment to developing a rail cargo route from Russia to India via Iran. Novak's visit came a month after the Iranian Road and Urban Development Minister, Rostam Qasemi, signed a comprehensive document in the transport and transit sector that includes agreements to activate INSTC and develop cooperation in maritime, air and rail transport. As a result represent the Iranian Road and Urban Development Minister, Rostam Qasemi, signed a comprehensive document in the transport and transit sector that includes agreements to activate INSTC and develop cooperation in maritime, air and rail transport.

Earlier, in November last year, to facilitate Iran's growing trade with the Eurasian Economic Union, the Islamic Republic of Iran Shipping Lines (IRISL) launched six new shipping lines from Iran's Caspian Sea port of Anzali to Russian ports in Astrakhan and Makhachkala and Aktau in Kazakhstan.²² These shipping lines are now being used to make INSTC operational to deal with Russia's logistics challenges and supply chain disruptions.²³

Since the Taliban took control of Afghanistan in August 2021, Tehran has been keen to avoid conflict with them. On the contrary, it has pursued a pragmatic policy of engaging the Taliban on issues of refugee flow into Iran, terrorism, border security, water-sharing, etc., while making the formal recognition of Taliban government conditional to its power sharing with ethnic and religious minorities. As it has been inking MoUs for broadening transport and transit

¹⁷ ParsToday, "Iran, Kazakhstan launch major rail transit link", https://parstoday.com/en/news/iran-i177078-jran kazakhstan launch major rail transit link

¹⁸ International Railway Journal, "Iran – Turkmenistan – Kazakhstan rail link completed", https://www.railjournal.com/regions/asia/iran-turkmenistan-kazakhstan-rail-link-completed/

¹⁹ International Gazette, "Russian Railways pulls out of Iranian infrastructure work",

https://www.railwaygazette.com/infrastructure/russian-railways-pulls-out-of-iranian-infrastructure-work/56171.article

²⁰ Republicworld, "Russian Transport Min asserts Western embargoes practically broken logistics in Russia", https://www.republicworld.com/world-news/russia-ukraine-crisis/russian-transport-min-asserts-western-embargoes-practically-broke-logistics-in-russia-articleshow.html

²¹ Tehran Times, "RAI in talks with Russia to supply locomotives for railway fleet", https://www.tehrantimes.com/news/472478/RAI-in-talks-with-Russia-to-supply-locomotives-for-railway-fleet

²² Port News, "Iran to launch six shipping lines in Caspian Sea to Russia, Kazakhstan", https://en.portnews.ru/digest/22757/

²³ Ibid

ties with its Central Asian neighbours, it has reached out to the Taliban to commission the 225-km railway line connecting Khaf in eastern Iran with Herat in western Afghanistan. The railway was inaugurated in December 2020, but some parts need reconstruction after suffering damage during the fighting that led to Taliban control of the country. Nevertheless, shared concerns about the spill over of instability and terrorism from Afghanistan have led Iran to maintain close dialogue and cooperation with Turkmenistan, Uzbekistan and Tajikistan—three Central Asian states that share long, porous borders with Afghanistan. Both Moscow and Tehran are aware that the US can take advantage of Afghanistan's neighbours' security concerns to strengthen security partnerships with these countries at their expense.

In a major turnaround of bilateral relations, Iran and Tajikistan established a Joint Military and Defence Committee in April 2021. The committee was tasked with charting the future of military and defence cooperation between the two countries. This cooperation reached a new milestone as Tehran opened an Unmanned Aerial Vehicles (UAVs) manufacturing plant in Tajikistan to manufacture Iranian-made "Ababil-2" drones in May 2022. Analysts have pointed out that the inauguration of the Iranian drone manufacturing facility in Tajikistan marks the first serious step toward realising an official defence products export capacity since the expiry of the UN-imposed conventional arms embargo on Iran in October 2020. Just days before Iran opened its drone plant, the US ambassador in Dushanbe announced that the US will supply "Puma" reconnaissance drones to Tajik border troops, in addition to financing the construction of a border post and border detachment along the Tajik Afghan border.²⁴

CONCLUSION

With Russia's war in Ukraine and its support for the rebel republics of Donetsk and Luhansk having caused nervousness among Central Asian states about Russia's revanchist tendencies and the negative fallout of the war on their economies, the US sees an opening to balance Russia's influence in Central Asia.

However, Iran is not sitting on the fence. Just weeks after Donald Lu, Assistant Secretary of State for South and Central Asian affairs, led a US delegation to the region, the Special Representative of the President of Iran for Afghanistan, Hassan Kazemi Qomi, visited Tajikistan, Uzbekistan and Kyrgyzstan to emphasise the importance of regional processes in dealing with post-conflict developments in Afghanistan.²⁵ In Tashkent, Kazemi Qomi confirmed Iran's participation in the International Conference on Afghanistan, which Tashkent hosted in July and stressed the need for Iran and Uzbekistan to carry out the infrastructure, transport and energy projects in Afghanistan.²⁶ Earlier in March, Iran and Uzbekistan agreed to establish a Joint Security Commission for facilitating security and intelligence cooperation between the two countries.²⁷

The Raisi administration, which has delinked Iran's economic policy from the revival of the JCPOA, has focused on economic diplomacy with the 'eastern' powers Russia and China, and has taken measures to improve infrastructure connectivity with Central Asian neighbours. The disruption of international transportation routes caused by neighbouring European countries closing their borders with Russia and Belarus has led Russia, Kazakhstan, and Turkmenistan to prioritise transport and transit cooperation with Iran, boosting Iran's geo-economic status in Eurasia.

²⁴ Asia Plus, "The US and Russia to finance construction of frontier posts along Tajik – Afghan border", https://asiaplustj.info/en/node/311749

²⁵ Mehr News Agency, "Regional problems, crisis resolvable without US presence", https://en.mehrnews.com/news/188378/Regional-problems-crises-resolvable-without-US-presence

²⁶ Tasnim News Agency, "Iran, Uzbekistan discuss Afghan developments", https://www.tasnimnews.com/en/news/2022/06/25/2734086/iran-uzbekistan-discuss-afghan-developments

²⁷ Iran International, "Iran, Uzbekistan sign deal on joint security cooperation", https://www.iranintl.com/en/202203123195

Iran can expect a revival of its economic stakes in the West if and when the JCPOA is restored and can perhaps even anticipate a chance to enhance its strategic and military-oriented alliances in the Middle East via greater economic links between its allies. But in Eurasia in particular, Iran has the opportunity to expand its influence on new horizons and place itself at the centre of long-term economic and political transitions. As the US and the EU are struggling for viable options to increase pressure on Russia, the war in Ukraine may prove favourable to Tehran in refining its evolving strategy in this vast, resource-rich region.

Recommendations for US / USCENTCOM

- Implementation of the planned integrated air and missile defence program in the ME Region, ensuring a long-term commitment.
- Utilize the renewed relationship with the KSA to make it the center of gravity for future regional security endeavors aimed to deter Iran, such as counterterrorism and counter-cyber initiatives (multinational CoE, WGs etc..).
- Promote threat INTEL sharing among the regional partners, exploring the possibility of creating automated cyber threats INTEL platforms.
- Promote bilateral and multilateral training exercises with the armed forces of the CASA countries (at various levels, notable in the field of counterterrorism and peacekeeping).

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