

### 3. The role and impact of international sanctions on Iran

#### Overview

*It is not certain that the Joint Comprehensive Plan of Action (JCPOA) agreed in July 2015 will permanently settle disagreements over the Iranian nuclear programme. However, the JCPOA has reduced tensions over the issue and provided a framework that could eliminate the risk of a serious crisis between Iran and the international community.*

*International sanctions were an important factor in the period before the 2015 agreement and they will remain an important factor during its implementation. Prior to the agreement, the United Nations (UN) put in place targeted nuclear-related sanctions against Iranian individuals and entities. Other actors, first and foremost the United States and the European Union (EU), applied considerably more extensive sanctions. These autonomous sanctions, which were not mandated by UN decisions, introduced restrictions that were called for in UN resolutions, but not required by them. Over time they also began to include certain kinds of sanction—in particular in regard to financial transactions—for which there was no clear reference point in UN decisions.*

*If autonomous sanctions were an important factor in bringing about the conditions for the JCPOA, then there may be a strong case for making extensive financial and commercial sanctions mandatory in Security Council resolutions in future. This would at least partly reverse the recent tendency in the UN to favour more precisely targeted sanctions in order to reduce any unintended secondary impact.*

*The JCPOA opens the way for sanctions relief for Iranian individuals and entities. However, this relief is limited to nuclear-related sanctions and Iran remains subject to a number of other sanctions regimes. If it appears to Iran that the relief provided under the JCPOA is being undermined by measures applied in other sanctions regimes, this might be a threat to the agreement. Understanding the role and impact of sanctions in regard to the Iranian nuclear programme is therefore important in its own right, but also as an indicator of the role of sanctions in international disputes.*

*This chapter considers the different kinds of nuclear-related sanctions imposed on Iran in recent years as well as the processes through which they will be lifted in the light of the JCPOA and UN Security Council Resolution 2231. Section I outlines the historic shift from comprehensive to targeted sanctions and the key provisions of the JCPOA as they relate to the lifting of nuclear-*

*related sanctions on Iran. Sections II-V describe the different types of sanctions imposed on Iran. Section II focuses on financial sanctions, section III examines trade sanctions, section IV looks at sanctions on the trade in conventional arms and dual-use items, and section V looks at travel and transportation sanctions. In each case, the chapter looks at which sanctions were in place prior to the escalation in tensions surrounding its nuclear programme. It then describes the nuclear-related sanctions imposed by the UN Security Council, the USA and the European Union (EU), and which sanctions will be lifted under the JCPOA. The final section considers the role that sanctions played in achieving the JCPOA, the potential challenges posed by the lifting of sanctions and their implications for the successful implementation of the agreement.*

IAN ANTHONY, MARK BROMLEY AND PIETER D. WEZEMAN