The EU and Iran

By Rem Korteweg

This article was submitted as evidence by the Centre for European Reform for the review of the balance of competences between the United Kingdom and the European Union (Foreign Policy)

The EU-Iran relationship focuses on the stop-and-go negotiations to end Iran's nuclear programme, which Europeans and the US believe is designed to build nuclear weapons. The EU's role in this process provides the UK with additional foreign policy clout. The UK is focused on two objectives: preventing Iran from becoming a nuclear weapon state by achieving a negotiated solution on Iran's nuclear programme, and avoiding military conflict.

How does the EU add value?

The EU External Action Service (EEAS) acts as the convening power for negotiations between the 'big three' – the UK, France and Germany – Russia, China, the US and Iran. Since the EEAS is also party to the Iran negotiations and the UK gets to shape the EEAS's position on the negotiations, London effectively has two channels through which it is involved.

In addition, the EU 27 play a key role in pressuring Iran to give up on its nuclear weapons ambitions. In 2012, member-states agreed to an oil embargo and financial sanctions. These sanctions have led to a virtual stop in Iranian oil exports, a fall in the local currency and a depletion of Iranian foreign currency reserves. Due to its size as a trading bloc and because the EU represents several European countries that import large amounts of

energy from Iran, the EU has the ability to impose more painful sanctions on Iran than the UK could alone.

Since the EU plays a key role in the process, it is taken more seriously by major powers, such as the US, China and Russia. Those states concerned with the implications of a nuclear Iran, for instance across the Gulf, may similarly be more supportive of the EU. A number of Arab countries may back the EU for its efforts to avoid Israel or the US from taking military action against Tehran. Its tough stance on Iran also strengthens the EU's ability to convince Israel of its continuing commitment to Israel's security.

The EU is complementary – not an alternative – to UK policy. This however, is no guarantee for a successful conclusion of the negotiations.

The comparative (dis)advantages of working through the EU

The EU acts as a multiplier to the UK's foreign policy objectives on Iran. While the UK works through the EU, it also maintains its own seat at the table. London's influence is thereby amplified.

However, working through the EU takes up UK diplomatic capital: the UK has had to lean on other EU

countries to get support for sanctions against Tehran. Member states in southern Europe, including Greece, Italy and Spain, were heavily dependent on Iranian oil exports and initially reluctant to adopt the sanctions. Also, the EU alone has not had sufficient weight to sway Iran's nuclear ambitions. Instead the role of the United States and others remains crucial.

Would a different division of EU and member-state competence produce a more effective policy?

Not necessarily. The EU does not have competence in the realm of strategic foreign policy. If the EU were a unitary actor in foreign policy, it could possibly act with greater resolve and speed. Co-ordinating positions within Europe would be less cumbersome. However, even so, it is questionable what more the European



Union would be able to do, than it has done to date. Strong sanctions and diplomatic pressure have been mobilised. EU-27 interests are more or less aligned regarding Iran.

The EU could also play a bigger role on other dossiers with Iran, such as co-operation on the future of Afghanistan, discouraging Tehran from supporting Assad or stopping its support for destabilising factions in Iraq.

How might the national interest be served by UK action through different institutions?

The negotiations with Iran take place with international heavyweights; the five permanent members of the UN Security Council, plus Germany. Additional negotiating partners would muddy the waters. Currently, Lady Ashton is chairing the negotiations, providing the UK with more influence than if the UN Secretariat hosted the meetings.

Rem Korteweg
Senior research fellow, Centre for European Reform

March 2013

Additional information

For more details on the EU and negotiations with Iran see 'Last Hooray for the EU on Iran?' by Tomas Valasek, CER insight, November 2009 http://www.cer.org.uk/insights/last-hooray-eu-iran.

To view all of our submissions to the review of the balance of competences, visit our website: www.cer.org.uk/publications/reviewcompetences

