

Written evidence from the Foreign and Commonwealth Office (UKI0005)

Evidence to the Commons Foreign Affairs Committee inquiry into the UK and Iran's regional role

Introduction

1. The UK objectives for Iran are to prevent Iran developing a nuclear capability that would threaten the stability and security of the Middle East region, reduce Iran's destabilising activity in the region, and incentivise Iran to play a responsible role, as befits a significant regional power, in the rules-based international system (RBIS). The UK-Iran bilateral relationship is an important part of our policy and a key enabling tool in achieving our wider goals.
2. As the E3 Leaders' statement on 23 September made clear, we remain committed to the 'Joint Comprehensive Plan of Action' (JCPOA) as the best way to prevent a nuclear-armed Iran. However, Iran must come back to full compliance with its commitments under the deal. As the Prime Minister has said, we are open to exploring solutions which deliver that.
3. In the region, the UK has sought, and continues to seek, to de-escalate tensions. However, Iran's attacks on Saudi Aramco facilities, its violations of freedom of navigation - which are disrupting shipping in the Strait of Hormuz and undermining the international law of the sea - and its interference in Yemen are part of a catalogue of failures to respect international law, norms and practices which we cannot ignore. We want to normalise our relationship with Iran, but that can only happen if Iran respects the basic principles of the RBIS.
4. Through the 2015 *Strategic Defence and Security Review (SDSR)* and the 2018 *National Security Capability Review (NSCR)*, the government identified the UK's defence of the RBIS as a pillar of our foreign policy. Our approach to Iran takes into account this objective. As recently stated by the Foreign Secretary¹, our

¹ BBC Andrew Marr show – Sunday 22 September 2019

policy is to use tools such as the JCPoA and the normalisation of our diplomatic ties to bind Iran into the RBIS and encourage greater observance of the international norms that this entails.

5. Iran is an important regional power, with a strong history of cultural, economic, religious and political influence on its neighbourhood. Particularly since the 1979 revolution, its relations with regional and non-regional players have been complex and confrontational.
6. In response to the committee's terms of reference, our evidence focuses on the UK's efforts to uphold the RBIS and Iran's actions that undermine it. This memorandum sets out the various aspects of the UK's Iran policy, covering: our bilateral relationship, and how it affects our wider policy objectives; how we view Iran's regional position and its regional activities; and our approach to multilateral diplomacy and negotiations. The memorandum also provides some information on how the Government allocates resource to its Iran policy efforts.

Relations between the UK and Iran

7. The UK has a complex bilateral relationship with Iran. Iran listens carefully to the UK. It pays close attention to our statements and policies. But it deeply distrusts our intentions.
8. The UK's recent history in Iran continues to influence significantly how Iranians perceive our intentions and actions today. The foundation of the Anglo-Persian Oil company in 1908, the 1921 coup that subsequently put Reza Shah on the throne, the 1953 coup that overthrew Mohammad Mosaddegh, the 1979 revolution, the 1980 Iranian embassy siege in London, the 1989 issuing of a fatwa against Salman Rushdie, the launch of BBC Persian TV alongside mass protests after the disputed 2009 election and the storming of the British Embassy in Tehran in 2011 are just some of the events that still colour the bilateral relationship. The legacy of these events – some of which still remain unresolved – increase the difficulty of resolving bilateral disputes.
9. The re-opening of the British Embassy in Tehran in 2015 strengthened the UK-Iran bilateral relationship. Former Prime Minister David Cameron's meeting with President Rouhani in September 2014 was the first since the 1979 revolution, and the former Foreign Secretary Philip Hammond's visit in August 2015 was the first visit of a UK Foreign Secretary since 2004. Both bolstered relations. Boris Johnson and Jeremy Hunt also visited Tehran during their respective tenures as Foreign Secretary.

10. However, over the past year, the relationship has worsened. Since the United States pulled out of the JCPoA in May 2018, the UK has been accused by Iran of alignment with a US policy of maximum pressure. We continue to be clear that this is not the case. In addition, issues such as the detention of British-Iranian dual nationals in Iran, human rights concerns, visas and migration issues, and an ongoing dispute over an historical debt relating to private contracts between International Military Services (IMS) and the Iranian Ministry of Defence have continued to sour the relationship.
11. From the UK's perspective, the most concerning, and ongoing, bilateral dispute remains the continued detention of British dual-nationals in Iran, several of whom are held on unclear and seemingly spurious 'national security' charges. As Iran does not recognise dual nationality, it does not grant consular access to any dual national detainees holding Iranian citizenship. Despite our repeated requests for exceptional consular access and appropriate medical care, our ability to offer consular assistance to the detainees remains severely limited. The FCO continues to call for the release of the detainees at the highest levels of the Iranian government, most recently on 24 September when the Prime Minister raised his concerns with President Rouhani in New York² where they were both attending the United Nations General Assembly.
12. We also provide consular assistance and advice to the affected families. While the highest profile case is that of Mrs Nazanin Zaghari-Ratcliffe, we remain equally concerned for all our dual-national detainees and have made multiple representations in London and in Tehran regarding their treatment. In addition, Jeremy Hunt (during his time as Foreign Secretary) took the decision to afford diplomatic protection in Mrs Zaghari-Ratcliffe's case in March 2019³. This formally raised her situation to a state-to-state issue, in the recognition that Iran had committed an internationally wrongful act against the UK in its treatment of her case. However, the FCO has been clear that diplomatic protection will not lead to a resolution in and of itself.
13. From the Iranian perspective, the most significant outstanding issue is the unresolved IMS debt, which the Iranian government raises frequently in discussion with the UK. The case arises from the non-completion of contracts between IMS (a private company owned by the UK Ministry of Defence and HM Treasury) and the Iranian Ministry of Defence (MODSAF). MODSAF are subject to European Union and United Nations sanctions. The issue is subject to ongoing litigation in the UK courts.

² <https://www.gov.uk/government/news/pm-meeting-with-president-rouhani-25-september>

³ <https://www.gov.uk/government/news/foreign-secretary-affords-nazanin-zaghari-ratcliffe-diplomatic-protection>

14. Resolving these bilateral disputes is a prerequisite to a stronger bilateral relationship, and with it our ability to engage and influence. Our aim continues to be to encourage Iran, through diplomatic means, to become a responsible international player and increase domestic rights and freedoms for its citizens. We recognise that Iran is a significant regional power, with its own interests and objectives.

The UK's policies towards Iran's role in the region

15. Iran's regional activity poses the UK a complex challenge. Under what it considers threats to the existence of the state – both real and imagined – from its neighbours and others, Iran operates a policy of 'forward defence'. The UK is clear that Iran is a significant regional player. But recent events in the region have only served to escalate tensions and risk conflict. The following paragraphs give an understanding of Iran's relations with regional countries.

16. Iraq: Geography, history, religion and demographics give Iran natural levels of influence in Iraq, but the current levels of Iranian influence are high, in part because of the role the Iran-backed Popular Mobilisation Forces have played against Daesh and their continued role in Iraqi politics. Any conversation with Iranian officials about Iraq at some point includes the comments that (a) Iran's influence in Iraq is deep and historic, and they will be there long after we have gone, and (b) the current role Iran plays is entirely a consequence of the 2003 invasion. Iran denies that it has 'picked winners' in the political jousting in Iraq, and says that forces supported and trained by Iran were the only thing that stood between Daesh and the capture of Baghdad. As with Afghanistan, they argue that they have more interest in Iraq's stability than other outside players, citing in particular Iraq's invasion of Iran in 1980 which triggered the Iran-Iraq war (1980-1988).

17. Yemen: Iran argues the war in Yemen is the result of an unnecessary and counter-productive Saudi attack on a legitimate minority group, which has caused humanitarian catastrophe. Iran has consistently argued for a political solution that results in a voice for all Yemenis in the governance of the country. They allege the war crimes committed with American and British weapons sold to Saudi Arabia negate our right to criticise others behaviour in the conflict. They claim the Houthis have few options, so firing missiles into Saudi Arabia and the United Arab Emirates is an understandable reaction. They claim they have supported United Nations mediation efforts, encouraging the Houthis to engage constructively. They (unrealistically) deny providing weaponry and financial support to the Houthis, but not giving them political support. Above all, they argue that the Saudis want to extinguish all Iranian influence outside their own borders and this is neither realistic nor reasonable – any more than it would be for Iran to demand the same of Saudi Arabia.

18. Lebanon: With its decades-long connection to Iran, its (unique in non-Iranian organisations) adherence to *velayat-e faqih*⁴, and the level of control Iran has so far enjoyed over its objectives, Hizballah is still the poster-child for Iranian proxies. Its leader Hasan Nasrallah openly pledges allegiance to the Supreme Leader over his loyalty to Lebanon. Hizballah is seen as a useful deterrent of Israeli action against Iran; Iran continues to invest in Hizballah's military capability through stockpiling a significant arsenal of weaponry. Hizballah is also a reliable ally against Daesh and in Syria.
19. Syria: Iran is a key ally of Syrian President Asad. Russian and Iranian intervention in the civil war has propped up the Syrian regime and increased the regime and Hizballah's influence on the ground. The Gulf States hope, like the Israelis, that they can leverage their interests with Putin to reduce Iranian influence, but in reality the Russians have saved Asad and enabled Iranian/Hizballah influence over the regime. When we criticise Iran's support to proxy groups that undermine legitimate governments across the region, Iran consistently throws Syria back at us, sometimes with added references to Libya or the Arab Spring more widely. Iran claims it is supporting the legitimate government, whilst the West is supporting terrorists. Iran has worked hard to preserve the regime of its only state ally, and feels that they have essentially won in Syria. Iran tolerates Israeli missile-strikes into Syria, confident it understands Israel's red-lines.
20. Afghanistan: Iran hosts some three million Afghan refugees and migrants, extending to them the same health and education coverage that its own citizens are entitled to. It also confronts armed drugs smugglers on the Afghan border, making massive seizures and has incurring heavy losses over the years. Inside Afghanistan, Iran talks to both the government and the Taliban, encouraging them to negotiate over their differences. They argue that a stable Afghanistan is far more crucial to Iran than to the outside players they accuse of meddling there, and allege that all Western intervention has done is destabilise it. While we welcome Iran's public support for an Afghan political peace process, any activity that strengthens the insurgency on the ground has a large destabilising effect.
21. It is important to distinguish between Iran's established pattern of activity in the region, and Iran's recent retaliation to the US policy of maximum pressure. Recent attacks on shipping in the Gulf and on Saudi oil infrastructure are designed to pressure the US – both directly and via its regional allies – to ease oil sanctions. Its longer-running activities, including support to proxies, in Iraq, Syria, Lebanon and Yemen are about promoting and protecting what it sees as its wider, more enduring interests in the region.

⁴ A form of Islamic jurisprudence that transfers political and religious authority to the clergy. In Iran, it is part of the foundation of the Supreme Leader's authority.

22. The Islamic Revolutionary Guard Corps (IRGC) operate asymmetrically. Left unchallenged the IRGC expand into ungoverned space and seek to create parallel structures on the Hizballah model. Medium-term, therefore, our goal is to squeeze the space for IRGC interference through strengthening governance in Iraq and Lebanon and political settlements in Yemen and Syria.

23. Operationally, we are focussed on shifting the strategic calculation for the Iranian leadership by increasing the cost of IRGC activity, including by bolstering the defensive capabilities of allies in the region. That means deterring aggression and using targeted sanctions, where appropriate, to obstruct the IRGC's use of the financial system. Enforcement of existing sanctions is a powerful tool: the IRGC as a whole remains sanctioned by the European Union, and more alignment on region-related sanctions may be possible.

24. To counter Iran's destabilising regional activity, the UK has:

- i) played a leading role in the adoption of over 200 European Union sanctions listings against Iranian entities for nuclear-related activity and ballistic missile activity, including the IRGC in its entirety. We also sanction Iranian-affiliated individuals and organisations in other countries, including in Syria. The European Union arms embargo against Iran remains in place. We use diplomatic and operational levers to tackle Iran's proliferation of ballistic missile technology, including to Yemen, e.g. by sharing analysis with the United Nations' panel of experts.
- ii) maintained strategic relationships with GCC states to help them develop their defences against Iranian subversion and asymmetric attack, including cyber-attack.
- iii) taken action to disrupt IRGC logistical and financial supply routes to its proxy forces, for example by banning Mahan air flights to UK airports.

25. In countries in the region where Iranian influence or destabilising activity is highest the UK approach is detailed as follows:

- i) Iraq: The UK lends support to the Government of Iraq in its attempts to strengthen the sense of Iraq as an Arab nation, building on the rapprochement between Baghdad and Riyadh as well as Saudi Arabia and the UAE's 'smart diplomacy' in the country. For example, the Saudi Crown Prince Mohammed bin Salman received Iraqi Shia leader Moqtada Al-Sadr in Riyadh in 2017 (a move which attracted criticism by Lebanese Hizballah). Operationally, and in policy terms, we are trying to underpin this strategic realignment by maintaining international support for the

Government of Iraq and development of the Iraqi Security Forces while nurturing efforts to reintegrate Iraq into the Arab world. British soldiers have trained over 106,000 members of the Iraqi Security Forces, including the Peshmerga forces in the Kurdistan Region of Iraq, in infantry skills, counter-IED operations, engineering and medical expertise. We maintain diplomatic pressure on the Iraqi government to intervene when the Iranians take actions (for example, encouragement of the PMF to move into north-east Syria) that clearly violate Iraqi sovereignty.

- ii) Yemen: The UK has an ongoing defence relationship with Saudi Arabia, which supports its efforts to protect its national security. Our diplomatic efforts in the Security Council and elsewhere have contributed to exposure of Iranian proliferation of ballistic missiles to the Houthis. Additionally, the UK has supported Coalition humanitarian efforts. The key to countering destabilising activity in Yemen is a political settlement which sees Iranian influence much reduced. The UK is active in supporting UN Special Envoy Martin Griffiths to bring this about.
- iii) Lebanon: Iran's support to Hizballah continues to destabilise the region and pose a risk to Lebanon's stability. The UK extended proscription of Hizballah under the Terrorism Act 2000 in March 2019. Internationally - with the UN, European Union and the International Support Group for Lebanon - we continue to demonstrate our commitment to UN Security Council resolutions 1701 and 1559, emphasising the role of the Lebanese Armed Forces (LAF) as the sole legitimate armed force of Lebanon. In support of this, the UK is working with the Lebanese state to reinforce its state institutions, in particular the LAF and the Internal Security Forces – having invested £61.5 million and trained around 11,000 soldiers in frontline operations, including against Daesh. In addition, the UK also designates certain individuals linked to Hizballah under the Terrorist Asset Freezing Act and works – as a founding member - to strengthen the Financial Action Task Force global network which is key to tackling money laundering and terrorist financing.
- iv) Syria: Tackling Iranian interference in Syria is a long-term challenge and we have relatively few levers other than the continued application of sanctions and the withholding of reconstruction funding, absent a Russian/regime agreement to a genuine UN led political settlement. European Union sanctions against Iran under the Syria regime specifically target the IRGC Quds Force and two IRGC commanders.

26. In addition to its well-established and long term activity in the region, Iran has since May 2019 taken a series of carefully calibrated actions in response to the US approach of maximum economic pressure, in particular the full imposition of

oil sanctions. Most recently this included the Iranian attacks on Saudi oil infrastructure at Aramco on 14 September. While the Houthis in Yemen claimed responsibility, the UK is confident that Iran bears responsibility. En route to the 2019 United Nations general assembly (UNGA), the Prime Minister made a statement attributing responsibility for the attack to Iran. The following day, the 'E3' (meaning the three European nations party to the JCPoA: the UK, France and Germany) issued a joint statement attributing responsibility for the attack to Iran⁵.

27. Iran's seizure of the *Stena Impero* demonstrated Iran's willingness to disregard international law and underlines why we need to build on the JCPoA to address its behaviour in the region. By seizing the tanker, in response to what it wrongly considered an illegal seizure of the Iranian tanker *Grace 1*, Iran broke international maritime law. It is worth remembering that Iran reneged on its assurances that the *Grace 1* was not bound for Syria. This kind of escalatory attack only serves to narrow the space to work for a diplomatic solution.
28. The UK continues to protect our allies and deter aggression through our Gulf strategy to maintain a permanent military presence in the Gulf through the deployment of significant maritime and air capabilities. The International Maritime Security Construct (IMSC) provides an immediate response to the heightened threat in the Persian Gulf by providing reassurance to shipping and deterring further threats. To date, the United States, the UK, Australia, Bahrain, Saudi Arabia and the United Arab Emirates have signed up to the IMSC, with a number of others expected to join shortly.

The FCO's role in multilateral diplomacy regarding Iran

29. There are two separate tracks to the UK's multilateral diplomacy regarding Iran – as a party to the JCPoA, and through multilateral institutions like the United Nations. This evidence will take them in turn.

JCPOA

30. Given the government's primary role in protecting the security of the UK and its interests, preventing a nuclear-armed Iran is of the highest priority. A nuclear-armed Iran would have serious implications for regional security, the security of Europe and wider proliferation concerns. We continue to judge that the best way to prevent Iran from acquiring a nuclear weapon is through the JCPoA which offers sanctions relief in exchange for strict limits on Iran's nuclear programme.

⁵ <https://www.gov.uk/government/news/joint-statement-by-the-heads-of-state-and-government-of-france-germany-and-the-united-kingdom>

The JCPOA took 12 years to negotiate and was agreed between China, France, Germany, Russia, the UK, the US and Iran – with the European Union as coordinator, in July 2015. It marked a major step forward in preventing Iran from developing a nuclear weapons capability and in normalising Iran’s relations with the international community.

31. Despite President Trump withdrawing the US from the JCPOA in May 2018, and his decision to subsequently re-impose sanctions, the other parties to the JCPOA have remained in the deal and worked hard to maintain it. Alongside France and Germany, the UK has established the ‘instrument for supporting trade exchange’, commonly known as INSTEX⁶. This is a special purpose vehicle which aims to facilitate international trade with Iran, focusing initially in the sectors of humanitarian and pharmaceutical goods. The FCO, working with colleagues across the UK government and the E3 has led efforts to establish this unique project. This has included regular engagement with a selection of like-minded European states who are seeking a formal role in the company. The UK has also stepped into the role of co-chair (along with China) of the Arak working group.
32. However, the JCPOA is under intense pressure given recent steps by Iran to reduce its compliance with the nuclear deal in response to US withdrawal and the impact on the Iranian economy of US sanctions. We are working with other parties to the deal to bring Iran back into full compliance with its commitments. Any long-term successor to the nuclear deal would take time to negotiate but, in the meantime, Iran needs to comply with the existing deal.

UN

33. The FCO is committed to playing a strong role in multilateral fora in challenging Iran’s dismal human rights record. At the Human Rights Council in March 2019, the UK again supported the renewal of the mandate of the UN Special Rapporteur on the Situation of Human Rights in Iran. We have regularly called on Iran to allow him access to the country so that he can carry out his mandate. In our speech to the council, the UK highlighted executions of juvenile offenders, persecution of religious and ethnic minorities in Iran, the deteriorating right to freedom of expression and a lack of media freedom. We called on Iran to drop the criminal investigations and judicial harassment of BBC Persian employees and their families.⁷ During the 2019 UN General Assembly the UK shone a spotlight on Iran’s human rights record and their detention of dual nationals. The UK hosted an event with legal experts and international partners to highlight evidence of where Iran is failing to uphold its international obligations.

⁶ <https://www.gov.uk/government/news/joint-statement-on-the-new-mechanism-to-facilitate-trade-with-iran>

⁷ <https://www.gov.uk/government/news/human-rights-council-40-iran>

34. The UK is part of a 'core group' which authors the UN Third Committee resolution on human rights in Iran, and co-sponsors the annual UN General Assembly resolution on human rights in Iran. It was last adopted on 15/11/2018 with 86 yeses, 30 noes and 68 abstentions – securing more yes votes than in 2017. The UK is also a supporter of the Universal Periodic Review (UPR) process, which allows all UN member states to express their human rights concerns and commend States for progress. We have spoken at every session and about every country since the process began. Iran's third cycle of the UPR is in November 2019 and we will take this opportunity to ask Iran advanced questions, offer specific recommendations, and make a national statement.
35. We have long standing concerns about Iran's missile activities. Iran has the third largest missile programme in the world and a track record of proliferating missile technology, including to non-state actors. This threatens our partners and is destabilising to the region. Following UK technical engagement, the UN Panel of Experts on Yemen report of January 2018 found Iran in non-compliance with the arms embargo under UNSC resolution 2216 for failing to take the necessary measures to prevent the direct or indirect supply of ballistic missiles and related equipment to the Houthis.
36. Iran also continues to develop its longer-range ballistic missile capabilities. It currently has the capability to target NATO and European Union members' territory. Its recent Space Launch Vehicle (SLV) tests in 2019 have provided opportunities to enhance technology relevant to intercontinental ballistic missiles. UNSC resolution 2231 (which underpins the JCPoA) calls upon Iran not to undertake any activity related to ballistic missiles designed to be capable of delivering nuclear weapons, including launches using such ballistic missile technology found in SLVs. In recent months, we have seen an uptick in activity related to ballistic missiles with four launches in the last five months. The UK, France and Germany have issued several letters to the UN Secretary-General providing details of Iranian ballistic missile activity which has been inconsistent with paragraph three of annex B of resolution 2231 (2015). We have made clear to Iran that it should cease these activities and have encouraged other countries to do the same.

Resourcing

37. While it is not made explicit in the terms of reference of the inquiry, we would like to take the opportunity to outline some information regarding how FCO deploys resource to Iran policy.
38. Previously, Iran policy was primarily the responsibility of the Iran section of FCO's Iran/Iraq department, itself inside Middle East and North Africa Directorate (MENAD). In January 2019, this department was transformed into a cross-

government HMG Iran Unit to bring together key partners into a team which holds responsibility for co-ordinating UK policy on Iran. While the unit is located inside the FCO's main building on King Charles Street, staff come from many different government departments as necessary. These include, but are not limited to: FCO, HM Treasury, the Ministry of Defence, Home Office, the Department for International Trade and the Cabinet Office.

39. Across the diplomatic network, in addition to the British Embassy Tehran, there are officers who – in whole or in part – work on Iran in bilateral posts and multilateral missions. These include, but again are not limited to: Paris, Berlin, Riyadh, Washington, the UK Permanent Representation to the European Union, the UK missions to the UN in New York and Geneva, the UK mission to the IAEA in Vienna and the UK joint delegation to NATO.
40. Richard Moore, the FCO Political Director, is the senior responsible officer (SRO) for Iran across government. In this role, he works to the National Security Adviser (NSA) Sir Mark Sedwill and the National Security Council (NSC), through which strategic decisions are made for the whole of government's Iran policy.
41. The FCO devotes resource to improving Farsi language competence among its staff. HMA Tehran, Rob Macaire CMG, is a speaker at C1 level in the Common European Framework of Reference for Languages. There are a number of staff in full-time language training in preparation for roles in the embassy and the current pipeline will lead to the Ambassador, the Deputy Head of Mission and over half of the political and economic sections being Farsi speakers. In London, the FCO's language centre offer developmental language classes in Farsi, which members of staff in the Iran Unit take advantage of. We are also able to draw upon a cadre of officers who have served in Afghanistan and speak Dari, which is closely related to Farsi.

Conclusion

42. The immediate UK priority is to create the conditions and incentives for both the US and Iran to engage in a diplomatic resolution to the current crisis. We remain committed to the JCPoA as the best way to prevent a nuclear Iran and will continue to honour our commitments under the JCPoA. However, Iran must come back into full compliance with its own commitments under the deal. As the Prime Minister has said, we are open to exploring solutions which deliver that. Any deal must not only cover the nuclear file but go wider and address regional security issues. Alongside this, we continue to work for stability in the region with the international community, and uphold the international rules that protect us all.

HMG Iran Unit

8 October 2019