

MONTHLY REPORT

# Iran Case File

April 2023

*Your window on Iran from inside and abroad*



ISSN 1658-8320



9 771658 832008 >



MONTHLY REPORT

# Iran Case File

April 2023

ISSN 1658 - 8320

WWW.RASANAHIIS.ORG

Rasanah\_iis

info@rasanahiis.com

+966112166696

---

All rights reserved. No part of this publication may be reproduced, distributed or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of Rasanah.

# Contents

|  |           |
|--|-----------|
| <b>EXECUTIVE SUMMARY</b> .....   | <b>4</b>  |
| <b>INTERNAL AFFAIRS</b> .....  | <b>8</b>  |
| <b>The Political File</b> .....  | <b>10</b> |
| The Iranian Parliament Disappoints Ebrahim Raisi .....   | 10        |
| Supporters and Opponents (of the Dismissal) Trade Accusations .....  | 10        |
| <b>The Economic File</b> .....   | <b>12</b> |
| History of Saudi–Iran Trade Relations .....  | 12        |
| Trade Structure and Exchanged Commodities Between Iran and Saudi Arabia .....                              | 13        |
| <b>The Military File</b> .....   | <b>16</b> |
| Iran Seizes Two Oil Tankers in the Strait of Hormuz and the Gulf of Oman .....                             | 16        |
| Renewed Tensions Between Iran and Azerbaijan .....   | 16        |
| A Drone Attack Against an Iranian Site .....   | 17        |
| <b>The Ideological File</b> .....  | <b>18</b> |
| Sadr’s Decisions: Significations and Potential Outcomes .....  | 18        |
| Owners of the Cause and Sadr’s Mahdi Status .....  | 19        |
| <b>EXTERNAL AFFAIRS</b> .....  | <b>24</b> |
| <b>The Regional File</b> .....   | <b>24</b> |
| <b>Iran and the Gulf States</b> .....  | <b>24</b> |
| Saudi–Iran Endeavors to Implement the Agreement’s Provisions .....   | 24        |
| <b>Iran and Iraq</b> .....   | <b>26</b> |
| Accelerating the Implementation of the Railway Link Project With Iraq .....                                | 26        |
| Urging Iraq to Increase Bilateral Trade .....  | 26        |
| Efforts to Decrease Iran’s Military Operations in Northern Iraq .....                                      | 27        |
| The Visit of the Syrian Foreign Minister to Saudi Arabia and Its Implications .....                        | 28        |
| Military Escalation Amid the Ongoing Pacification .....  | 29        |
| <b>Iran and Syria</b> .....  | <b>30</b> |
| The Significance of the Saudi Delegation’s Visit to Sana’a .....   | 30        |
| The Position of Regional and International Parties on<br>the Visit of the Saudi Delegation to Sana’a ..... | 30        |
| <b>The International File</b> .....  | <b>32</b> |
| <b>Iran and the United States</b> .....  | <b>32</b> |
| A Symbolic Legal Triumph for Iran .....  | 32        |
| Prioritizing Diplomacy While Amassing Levers .....   | 32        |
| More Sanctions Against Iran and Its Proxies .....  | 33        |
| A Mounting Confrontation in the Region .....   | 34        |
| <b>Iran and Europe</b> .....   | <b>36</b> |
| IAEA Reinstalls Monitoring Equipment in Iran’s Nuclear Facilities .....                                    | 36        |
| Hindrances in Exchanging Prisoners Between Iran and<br>Belguim and New Sanctions on Tehran .....           | 36        |



## EXECUTIVE SUMMARY

The month of April 2023 witnessed accelerating developments at various political, economic, military and ideological levels. The Iranian interactions with the Arab and international spheres were meshed in interlocking events, which are expected to have implications on Iran's entire internal and external files in the coming period.

Internally, at the political level, the growing public resentment toward the Iranian government because of the worsening economic conditions, its failure to curb soaring car prices and economic mismanagement prompted the Parliament to interrogate Reza Fatemi Amin, the minister of industry, mining and trade. The deep harmony between the Iranian Parliament and President Ebrahim Raisi encouraged the latter to make an appearance at a parliamentary session to defend the minister. However, lawmakers fed up with the minister's performance over the past period disappointed the president and proceeded in giving a vote of no-confidence vote to the minister. Amin became the first official in the "conservative"-controlled government to be sacked by Parliament since Raisi was elected in 2021.

Economically, Saudi-Iran trade relations have experienced several shifts as a result of the tense political ties since the 1979 revolution. Trade and investment prospects have been hampered by the series of international sanctions imposed on Iran — which continue to be imposed till this very day. This is in addition to the similarities in the export and import structures between the two countries, which have also contributed to the

low bilateral trade volume. Saudi exports to Iran are described to be quite diverse, including basic, industrialized, consumer and technological items. Perhaps the restoration of relations between the two countries will create ample trade and investment opportunities, with Iran eager to take advantage of them given its five years of international isolation.

At the military level, tensions continued to simmer on Iran's borders and even deep into its territories. In Gulf waters, Iran carried out offensive moves in April, including the seizure of oil tankers in response to the decree of a US court to seize an Iranian oil shipment. With regard to Iran's tense ties with its northern neighbor, Azerbaijan uncovered an Iranian spy network and called on Iranian diplomats who were accused of having links to the case to leave the country. In the context of Iran's defensive posture, it thwarted a drone attack on a military base in northern Isfahan.

At the ideological level, the file discusses the unstable ideological situation in Iraq, which prompted Muqtada al-Sadr to intervene to counter fringe currents, which are attempting to distort the basic foundations and tenets of the Sadrist Movement. Sadr declared his rejection of these currents, even referring many of their elements to face trials. He also suspended the movement's activities, asking followers and emulators to make pledges and present testimonies to reflect their rejection of the Owners of the Cause group. Sadr sensed that this current posed a danger to his movement's political future. In addition, the vision of this current runs counter to Sadr's traditional religious reading

and contradicts the path of his father.

Iran's external relations — with both Arab neighbors and the international community — saw several important events in the month of April 2023. With regard to the Arab world, particularly Iran-Gulf interactions, relations between the two sides proceeded in accordance with the outcomes of the Saudi-Iran rapprochement agreement. Though this agreement has only been signed recently, the two sides have taken several steps to ensure its implementation. According to the two countries' official discourse, there is a genuine will for cooperation. However, Iranian media outlets continued with their belligerent tone and expressions when covering the new developments. They said these developments reflected a Saudi need for rapprochement with Iran and questioned Saudi Arabia's intent regarding the improvement of ties with Iran.

With regard to Iraq, there have been consecutive indications reflecting Iranian pragmatism in the country to ease its domestic crises as well as to overcome its external challenges. The latter include accelerating the implementation of the rail interconnection project with Iraq that will connect the city of Shalamcheh with Basra. Iran also urged Iraq to increase trade between the two countries, and signed a security agreement to protect the common border between the two countries and enhance cooperation in a variety of security areas. This agreement will contribute to an Iranian reduction in military operations in northern Iraq.

In the context of Syria, there were two divergent events last month. The first was the Saudi-Syrian rapprochement following the Syrian foreign minister's visit to Riyadh and the subsequent agreement to resume consular work. This occurred after a decade-long diplomatic breakup, which will lead to a thaw and end tensions in bilateral relations. Several factors led to this development and contributed to

Riyadh's decision to partially restore ties with Damascus. Still, there are several challenges and difficulties that hinder the full restoration of ties. On the other hand, the Syrian landscape witnessed an event that was totally different to the first one — the mutual escalation between Iran and Israel. Each party sought to act preemptively to mitigate the impacts of internal and regional shifts on the Syrian arena — with the aim of scoring several points and levers, while depriving its rival of them.

In Yemen, the visit of a Saudi delegation to the capital Sana'a was an extension of the endeavors, efforts and initiatives by Saudi Arabia to resolve the Yemeni crisis against the backdrop of the unusual circumstances and regional shifts as reflected in the Saudi-Iran rapprochement agreement. The Saudi delegation sought to further enhance the truce between the Presidential Leadership Council and the Houthis. It also aimed to create common ground for dialogue and discussion on several issues, including humanitarian relief, the release of prisoners and opening up new horizons for a comprehensive and sustainable political resolution in Yemen, especially one that achieves the aspirations of the Yemeni people.

On the global stage, the Saudi-Iran deal provided Iran with more space to maneuver in the context of its relations with the United States — whether in terms of bilateral relations or competition for influence in the region. The US administration showed some desire to cooperate with Iran, especially on its nuclear file. It is prepared to partially lift the sanctions in return for Iran freezing its nuclear program. However, tensions continued to simmer after the United States imposed more sanctions because of Iran's human rights violations. In addition, it worked to curb Iran's drone program and clout

in Syria.

Iran-Europe relations continue to ebb and flow depending on the developments in two key files: the nuclear program and human rights/democracy. The stalemate in the Iranian nuclear talks and the escalatory steps taken by Iran such as increasing uranium enrichment, according to the IAEA, have sparked new tensions in the nuclear file. These tensions were manifested in the statement released by the G7 Non-Proliferation Directors Group. In the same vein, several Eu-

ropean countries imposed new sanctions on companies and individuals linked to the IRGC as a result of their involvement in cracking down on Iranian protestors. Furthermore, this month the issue of a possible swap between Assadollah Assadi and Olivier Vandecasteele was a discussion point. The former is imprisoned in Belgium, while the latter is detained in Iran. The two countries differ on their interpretation of the prisoner swap deal that was agreed upon.



## Our Services

### ● Consulting Services

For researchers and those interested in the world's dynamics in the Middle East, Central Asia, the Caucasus, Indian subcontinent, and Iran (at home and abroad), Rasanah offers in-depth knowledge of regional and international affairs via its consulting services which cover a diverse range of aspects including politics, economy, ideology, sociology, military and security.

### ● Training Center

Rasanah's Training Center, licensed and accredited by the Saudi Technical and Vocational Training Corporation (TVTC) and the Ministry of Education, offers training courses on crisis management, strategic analysis, writing and research skills as well as the Persian language (at varying levels).

*For more information, please contact*  
| [info@rasanahiiis.com](mailto:info@rasanahiiis.com) |

## Our Rankings

Rasanah is ranked among the leading think tanks according to the University of Pennsylvania's Global Go To Think Tank Index (GGTTI).

1

top think tank in Saudi Arabia

8

top think tank in the Middle East and North Africa

52

top think tank worldwide

31

top foreign policy and international affairs think tank

25

top regional studies center



# INTERNAL AFFAIRS



The Internal Affairs section of the Iranian Case File discusses four main files. The Political File sheds light on the vote of no-confidence to the Iranian Minister of Industry, Mining and Trade, as well as legislators' rejection of all of President Ebrahim Raisi's justifications and arguments in defense of the minister. The file also addresses the exchange of accusations between the supporters and opponents of the vote of no-confidence. Finally, the file casts light on the corruption accusations directed at the ministry, particularly those concerning the existence of mafia networks in the automobile sector. The Economic File reviews the history of trade relations between Iran and Saudi Arabia and the similarities in their trade structures and export products. With regard to the Military File, it discusses three issues: Iran's seizure of two oil tankers in the Strait of Hormuz and the Sea of Oman, renewed tensions between Iran and Azerbaijan and the Iranian position on drone attacks. The Ideological File discusses the decision of Shiite leader Muqtada al-Sadr to suspend his movement's activities for one year, particularly analyzing the significations and potential outcomes of this move. The file also discusses the Owners of the Cause, a fringe group within the Sadr Movement.

## The Political File

---

In a new show of defiance against the Raisi government, the Iranian Parliament gave a vote of no confidence to the Minister of Industry, Mining and Trade Reza Fatemi Amin following criticism of his handling of the country's economic problems. In addition, he faced criticism because of the country's runaway inflation, economic mismanagement and allegations of widespread corruption within his ministry. He was also accused of turning a blind eye to car mafia networks and failing to control automobile prices. Amin is the first official in the "conservative"-controlled government to be fired since Ebrahim Raisi was elected in 2021.

### **The Iranian Parliament Disappoints Ebrahim Raisi**

On April 22, 2023, Iran's Supreme Leader Ali Khamenei called for unity and cooperation among the three branches of power. Observers interpreted his call as directed to the Iranian Parliament so that it stops dismissing ministers. During the first parliamentary hearing session held last November, 182 lawmakers voted against dismissing Amin while only 145 lawmakers voted in favor of his dismissal. In addition, the Parliament controlled by the "conservatives" has shown a great deal of harmony with Raisi since he won the presidential election in 2021. The aforementioned developments encouraged Raisi to make an appearance in the Parliament — though his presence is neither regular nor mandatory — to defend the minister who is known in the Iranian arena as having close ties to the president. However, the Iranian Parliament

disappointed Raisi, dealing a severe blow to him, with 162 lawmakers voting in favor of dismissing the minister.

This unexpected dismissal has opened the floodgates for a barrage of criticism against the government relating to the sacking of ministers or allowing them to resign in case it feels their continuation in office will create trouble for it with the Iranian Parliament and the public or if it senses that there is consensus to dismiss a particular minister. Examples of this include dismissing the ministers of education and agriculture or accepting the resignation of the late Roads and Urban Development Minister Rostam Ghaseemi. But if government leaders feel that they are capable of convincing lawmakers or influencing their decisions related to the interrogated minister, they attend the hearing session to fiercely defend him. This is what Raisi, First Vice President Mohammad Mokhber, Vice President for Parliamentary Affairs Mohammad Hosseini along with four ministers (the ministers of roads and urban development, cooperation, labor and social welfare, communications and information technology and culture and Islamic guidance) did. All of them attended the hearing where Amin was being interrogated to defend him and prevent his dismissal.

### **Supporters and Opponents (of the Dismissal) Trade Accusations**

During the parliamentary debates on the accusations leveled against the minister, many interesting issues were raised between supporters and opponents of the dismissal. These issues

pushed lawmakers to trade accusations. For example, the lawmakers supportive of the interrogation were accused of seeking to employ some people in the industrial sector but faced opposition from the minister, so they started to interrogate him and call for his dismissal. To avoid dismissal, Amin was accused of the following: “the dismissed minister resorted to gifting 70 four-wheel drive cars to parliamentarians last November to avoid dismissal.” As part of defending himself before the Parliament, the dismissed minister attributed much of the country’s economic crisis to what he called “the currency war” and the sanctions imposed on the country. Those who were against the dismissal of the minister argued that the cause of the ministry’s problems lay elsewhere and that the macroeconomic policies needed to be reformed instead of dismissing the minister.<sup>(1)</sup>

Regarding the existence of mafia networks that control cars and their prices in the Iranian market, Amin admitted that such networks existed. He said that these mafia networks are paying money to oust him from his ministerial position, noting that they played a role in his interrogation.<sup>(2)</sup> The dismissed minister disclosed no details about these networks, but Iranian auto industry experts have stated that those in charge of the industry are relatives of ministers, lawmakers, senior officials, former governors of Iranian provinces and former officials in Iranian security services.<sup>(3)</sup>

Over the past years, local automobile manufactures have come under severe criticism over poor performance and lack of compliance with safety standards. This laxity has led to a spike in fuel consumption as well as

road accidents and deaths. The Iranian supreme leader on multiple occasions expressed his anger at the state of the auto industry in the country, saying that the public objection to poor quality is justified.<sup>(4)</sup> As for Tehran’s police chief, he also criticized the quality of locally manufactured cars, calling for foreign cars to be imported with a gasoline consumption lower than that of Iranian cars that consume 15 liters per 100 kilometers.<sup>(5)</sup>

Raisi failed to influence lawmakers on this occasion despite the alignment between the legislative and executive branches of power. He also did not express any avowed positions toward the lawmakers who voted in favor of dismissing Amin. However, he rushed to appoint Amin, who was severely criticized and dismissed by Iranian lawmakers, as his adviser for following up and monitoring the progress made on the country’s major plans and production drivers as well as determining the impediments faced by the executive authorities. This step implies a blatant rejection of the Iranian Parliament’s decision that put Raisi in an awkward situation and dismissed all the justifications he brought forth to lawmakers to ensure that Amin would continue performing his duties in the coming period. But the lawmakers who moved ahead with the no-confidence vote against Amin and criticized his performance may view his appointment to another position as an act of defiance against their decision and a reflection of the president’s repeated failures.

## The Economic File

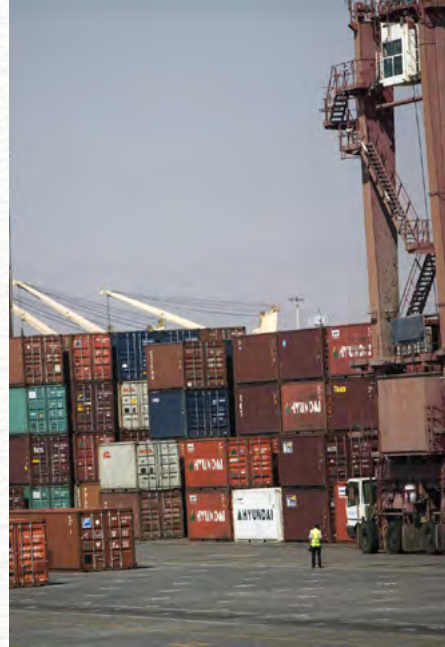
After seven years of diplomatic rupture — that began in 2016 — Saudi Arabia and Iran agreed to gradually restore diplomatic ties. The agreement comes at a deeply sensitive time for Iran which is suffering from chronic inflation, an embargo on its oil sector, plummeting budget revenues, ongoing popular discontent, and labor strikes in protest against rising living costs and a staggeringly depreciated currency. In light of the Saudi-Iran rapprochement agreement, this file will briefly discuss Saudi-Iran trade relations from a historical perspective and their evolution. In addition, it will look at the trade structure and potential cooperation opportunities following the restoration of diplomatic ties between the two sides.

### History of Saudi-Iran Trade Relations

Economic and trade relations between Saudi Arabia and Iran were effectively impacted after the 1979 revolution, particularly following the outbreak of the Iran-Iraq War in September 1980. In April 1988, Saudi-Iran relations were officially severed after the 1987 Mecca incident. Relations continued to be established at modest levels during the tenure of Rafsanjani (1989-1997) and improved slightly because of Iran's significant foreign policy shifts under the "reformist" President Mohammad Khatami (1997-2005).

A Saudi-Iran agreement was signed in 1998 during Khatami's tenure. It consisted of the following:

- Cooperation in the economic, trade, scientific investment, technical, cultural, sports and youth fields

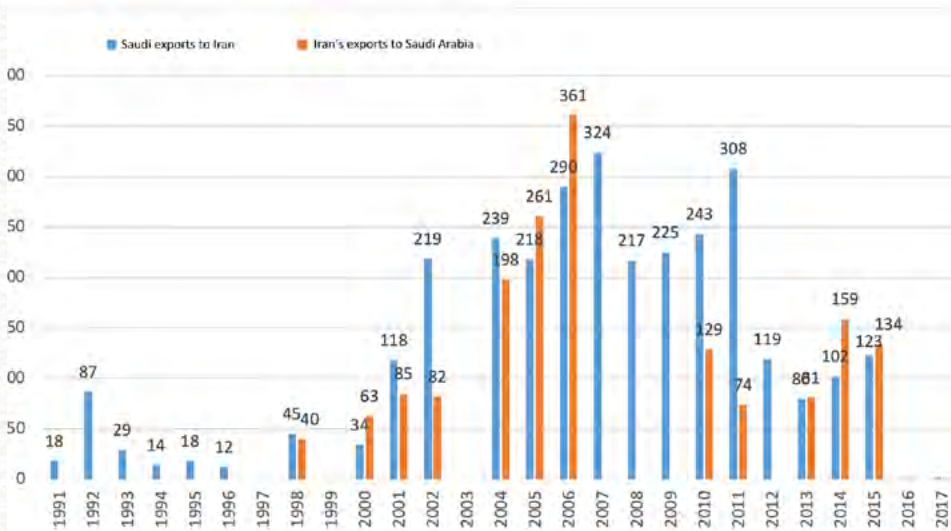


- The economic agreement contained general, nonbinding provisions such as:

- Encouraging and facilitating joint investments between the two countries
- The exchange of trade delegations and the signing of trade deals
- Forming a joint economic committee at the ministerial level.

The agreement boosted trade between the two countries; however, it did not lead to major increases in trade figures. A trade figure of \$98 million continued to rise from 1998, reaching a peak of \$650 million in 2006 during Mahmoud Ahmadinejad's tenure. Saudi exports to Iran surpassed Iranian exports to the country as Figure 1 shows.

**Figure 1: Exports Between Saudi Arabia and Iran During the Period From 1991 to 2017**



Data source: (2023) UN Comtrade Database  
©2023 Rasanah IIIS

However, bilateral trade remained volatile. The abovementioned trade figures are small when compared to their respective exports to the outside world which are estimated to be worth tens of billions of dollars per year. This small figure is mainly because of the similar production and exporting structures in both countries. Tense political relations as well as the back-to-back sanctions on Iran played a major role in this volatility, with trade between the two sides almost coming to a complete halt in 2016.

### **Trade Structure and Exchanged Commodities Between Iran and Saudi Arabia**

The similar production and export structures in both countries diminished the chances of significant bilat-

eral trade. For decades, oil exports and products have represented the bedrock of both Iran and Saudi Arabia's export structures. In return, the two countries import consumer goods, technological and capital items from abroad. As a result, trade between the two countries remained modest. However, the two countries mutually export diverse commodities, which have contributed to opening up trade channels.

In the media it is reported — particularly in Iran — that Saudi exports to Iran are mainly limited to oil derivatives and petrochemicals.<sup>(6)</sup> However, the statistics of the United Nations Comtrade database show an extensive list of Saudi products that Iran imported from the country in the past years before relations were severed.<sup>(7)</sup> The

list included dozens of items such as consumer goods, advanced machinery and non-oil products. These items also included paper and cardboard (\$27 million in 2015), plastics (\$38 million), aluminum and various metals and iron products (\$36 million in 2015) and vehicles (\$4 million in 2015). This is in addition to a long list of commodities worth tens of millions of dollars

such as textiles, dyes, fats, vegetable oils, synthetic fibers, medicines, fertilizers, adhesives, machinery, reactors, optical and medical devices, copper, metal products and perfumes (see Table 1). This list also does not include Saudi services exports, which include religious, medical and entertainment services.

**Table1: Examples of Saudi Exports to Iran (2014-2015)**

| Product              | Value in US dollars (year) | Product   | Value in US dollars (year) |
|----------------------|----------------------------|---|----------------------------|
| Plastic              | million \$38.5 ((2015      | Vegetable fats and oils   | million \$1.4 ((2015       |
| Paper and cardboard  | (million (2015 \$27        | Synthetic fibers  | (million (2015 \$1.3       |
| Various minerals     | million \$20 (2015)        | Vehicles  | million \$4 (2015)         |
| Aluminum             | million \$11               | Machinery and equipment electrical, electronic, optical, (and medical | million \$2.5 ((2014       |
| Iron or steel        | (million (2015 \$5         | Unclassified (goods (diverse  | \$742,000 (2015)           |
| Textiles-yarns, .etc | (million (2015 \$4         | Rugs and covers   | \$700,000 (2014)           |
| Dye                  | (million (2015 \$4         | Medicines   | \$337,000 (2015)           |

Data source(s): UN Comtrade Database-Trading Economics  
©2023 Rasanah IIIS



As for Iran's exports to Saudi Arabia, the biggest portion included iron, steel and some minerals (copper, zinc, sulfur), dried fruits, nuts, vegetables, carpets, some manufactured products, medicines and spices. For example, in 2015 and 2016, Iran exported to Saudi Arabia iron and steel worth \$144 million, zinc worth \$7 million, fruits and nuts worth \$1.6 million, various manufactured goods worth \$220,000 and carpets and textiles worth \$43,000.<sup>(8)</sup>

**In conclusion**, the diverse range of Saudi products exported to Iran reveals the commercial opportunities that could be maximized between the two sides though trade figures are modest. This diversity of exports is contrary to what is reported in the me-

dia; it is circulated that trade is limited to petrochemicals. This is in addition to Saudi Arabia's recent progress in the industrial and technological aspects of Vision 2030, in contrast to Iran's aging industrial infrastructure, with sanctions not helping the situation. The file offers an overview of the potential prospects to enhance trade between the two sides if trade links are restored, not to mention collaboration in other economic fields and prospective investment opportunities if Iran's sanctions are repealed. Iran might also benefit from Saudi resources and expertise in several key industries such as investment and know-how in the oil and technology sectors.



## The Military File

April witnessed consecutive military developments; the Fifth Fleet of the US Navy announced that Iran seized two oil tankers — the Panama-flagged oil tanker in the Hormuz Strait and the Marshall Islands-flagged oil tanker in the Gulf of Oman. Tensions between Iran and Azerbaijan reached a new level after security authorities arrested six Iranians in Baku over espionage charges and ordered six Iranian diplomats to leave the country. Finally, the Iranian interpretation of the foiled drone attack against Amir al-Momenin complex in Isfahan Province.

### Iran Seizes Two Oil Tankers in the Strait of Hormuz and the Gulf of Oman

Iran seized two vessels in Gulf waters, one was seized by the Iranian navy and the other by the IRGC. The latest seizure occurred on May 3, when Niovi oil tanker, owned by Grand Financing Co, and managed by Greece-based Smart Tankers, was en route to Fujairah from Dubai.

The Fifth Fleet of the US Navy states, “the Panama-flagged oil tanker Niovi was seized by Iran’s Islamic Revolutionary Guard Corps Navy (IRGCN) at 6:20 a.m. (0220 GMT) while passing through the narrow Strait of Hormuz.”<sup>(9)</sup>

On April 27, the Iranian navy seized a Marshall Islands-flagged oil tanker – the Advantage Sweet – in the Gulf of Oman. The vessel was en route from Kuwait to Houston, Texas. As per the record of the International Maritime Organization, the Turkish-operated ship is owned by a China-registered company. The Iranian navy, in its maid-

en seizure of a commercial vessel, alleged that “it collided with an Iranian boat in the Gulf of Oman and tried to flee.”<sup>(10)</sup> The Advantage Sweet’s seizure could be a response to a court ordered capture of an oil cargo aboard the vessel Suez Rajan by the United States.<sup>(11)</sup>

### Renewed Tensions Between Iran and Azerbaijan

Six Iranians were arrested by Azeri authorities over espionage charges on April 6.<sup>(12)</sup> Baku alleged that the Iranians were members of the Husainiyoun outfit and were working to “set up a ‘resistance squad’” aimed at establishing a Sharia state in Azerbaijan through armed unrest and the violent overthrow of Azerbaijan’s constitutional order. Besides, Azerbaijan ordered six Iranian diplomats to leave the country within 48 hours after declaring them *persona non grata*.

On April 12, Secretary of Armenia’s Security Council Armen Grigoryan visited Iran for consultations with his Iranian counterpart Ali Shamkhani. The meeting occurred against the backdrop of rising tensions between Azerbaijan and Iran.<sup>(13)</sup> Yerevan fears an impending war with Baku and is desperately seeking help from Tehran, Delhi, Athens and Paris. Armenia-Iran defense cooperation is less pronounced due to Yerevan’s fears of Western sanctions. Azerbaijan might be facing a two-front war given the unprecedented cooperation between its neighbors.



### **A Drone Attack Against an Iranian Site**

On April 5, Iranian media reported that the country's air defense forces that foiled a drone attack against the Amir al-Momenin complex in Isfahan Province. "The Amir al-Momenin complex in Isfahan was the target of a failed attack by a small drone which was foiled by defense systems," Iran's semi-official Tasnim news agency reported. There were no casualties or significant material damage. There was no later reporting about the incident after an outright denial by Reza Janantari, deputy governor of the province which is also home to a large air base and a key base for missile production and uranium processing. In contrast, the January 30 drone attack on a military facility was widely covered by the Iranian media.<sup>(14)</sup> Publicizing such news stories backfires in Iran for it exposes

dissent, foreign infiltration and weakness in security measures.

**Recent Iranian moves**, especially its seizure of two oil tankers, are part of its pressure against the United States and Europe to change their position regarding the impasse in nuclear talks in Vienna. Following the great improvement in Iran-Arab relations, especially after the restoration of diplomatic ties with Saudi Arabia, Iran has focused on its northern border with Azerbaijan — which might become a potential hotbed of tension, given the growing Turkish and Israeli support to Azerbaijan. It seems that Iran's policy regarding the use of sleeper cells inside Azerbaijan and rapprochement with Armenia is part of its efforts to prevent Azerbaijan from turning into a new security threat against it.

## The Ideological File

---

There have been some developments on the Shiite hawza landscape as a result of key decisions made by the Sadrist Movement's leader Muqtada al-Sadr, particularly concerning the activities of the movement and other affiliated institutions. Sadr had already expressed his displeasure with the Owners of the Cause group's behavior. These decisions are critical for the Iraqi hawza, which will be discussed in the following sections:

### Sadr's Decisions: Significations and Potential Outcomes

The firebrand Shiite leader Muqtada al-Sadr decided to suspend the activities of the Sadrist Movement for one year and shut down his Twitter account until further notice. He also canceled his *itikaf* (seclusion) at Kufa Mosque. All these decisions were taken in response to the Owners of the Cause group that gathered at the mosque where Sadr was secluding and wanted to pledge allegiance to him as the Mahdi.<sup>(15)</sup> Therefore, Sadr took the aforementioned decisions. He emphasized that the suspension would remain in effect but the congregational Friday prayers and the movement's heritage association would continue. In justifying his decision, he said, "I want to be a reformer for Iraq, and I cannot reform the Sadrist Movement; this is a grave sin. To continue leading the Sadrist Movement while it involves the Owners of the Cause; some corrupt elements and some heinous acts, is calamitous."<sup>(16)</sup> Following Sadr's decisions, security forces arrested nearly 60 individuals affiliated with the Owners of the Cause group.<sup>(17)</sup>

Despite taking these decisions in mid-April, Sadr also released a "pledge document" later in the same month that in-

cluded instructions for the movement's affiliates. The document included a testimony signed by the movement's affiliates, which reaffirmed their commitment to the love of the two martyred Sadr, and obedience to the orders and commandments of clerics who they emulate. In addition, the movement's affiliates pledged to only emulate in principle the clerics who follow their path, and not to forget their orders to dissociate from falsehood such as the unbelieving colonizers, the unjust Baath party and those who embrace esoterism, a deviation in thought. The document also enjoined the movement's adherents to disavow — from among the Sadr household — those who claim to be the Mahdi, to sever ties with them and to eschew any suspicious groupings that call into question the sect or the movement's tenets.<sup>(18)</sup>

Overall, Sadr's decisions were rather bold against the al-Sulukyīn current. This boldness can be attributed to two main factors: religious and political. Regarding the religious factor, Sadr feared the rise in "exaggeration" and extremism in the ranks of his movement, which would negatively impact its internal dynamics and defame it within the hawza and throughout the wider Shiite community, thereby impacting its legitimacy within the latter and spoiling its ties with the former. Regarding the political factor, the rise of an extremist fringe within the Sadrist Movement would grant its religious rivals, as well as its civilian rivals, the opportunity to criticize it, attack it and question its ability to manage its own affairs, hence diminishing its political support base in Iraqi society. In addition, he feared that new defections could grip the Sadrist Movement, like the ones in the past. These defectors have turned into the

movement's major rivals today such as Qais al-Khazali and others. The "pledge document" appears as a means to fortify the movement from within in light of the al-Sulukyin and Owners of the Cause groups. The document also aims to help in reversing the decision to suspend the movement's activities and restore effectiveness in the religious and political arenas, particularly at this delicate juncture in the country.

### **Owners of the Cause and Sadr's Mahdi Status**

The Owners of the Cause group refers to a specific fringe current or group within the Sadrist Movement which believes that Sadr is the Mahdi. The group's inception dates back to the US invasion of Iraq. Some of the members of this group believe that Ayatollah Mohammad al-Sadr is the Mahdi while others believe that he was one of the Mahdi's soldiers. Forms of exaggeration have been multiple in this respect. In fact, the Owners of the Cause are an extension of the messianic groups that emerged following the US invasion of Iraq such as Jund al-Sama (Soldiers of Heaven) group, al-Yamani group and al-Sulukyin — some of them claim that Mohammad al-Sadr is the awaited Mahdi. At a certain point and due to the deep differences between the Sadrist Movement and al-Sulukyin, tensions escalated into military confrontation between the two sides.<sup>(19)</sup>

Ayatollah Mohammad al-Sadr had criticized al-Sulukyin's doctrinal persuasions during his lifetime and disavowed them. His son Muqtada al-Sadr also disavowed them after the US invasion of Iraq. Therefore, it is unlikely that Sadr's recent decisions will fully wipe out such fringe groups, but will rather lead to curbing and

sidelining them within the Sadrist Movement. On the other hand, Sadr benefits from them in strengthening his religious and political position within the hawza, given that he is both a populist leader and a reformist who rejects radicalism and divergence from Shiite orthodoxy. He also seeks to appear as a modest man who rejects exaggeration about himself as well as the notion of the lone Shiite leader attempting to rearrange and remodel the Shiite house from within —even if this means banishing some Sadrists or freezing the entire movement.

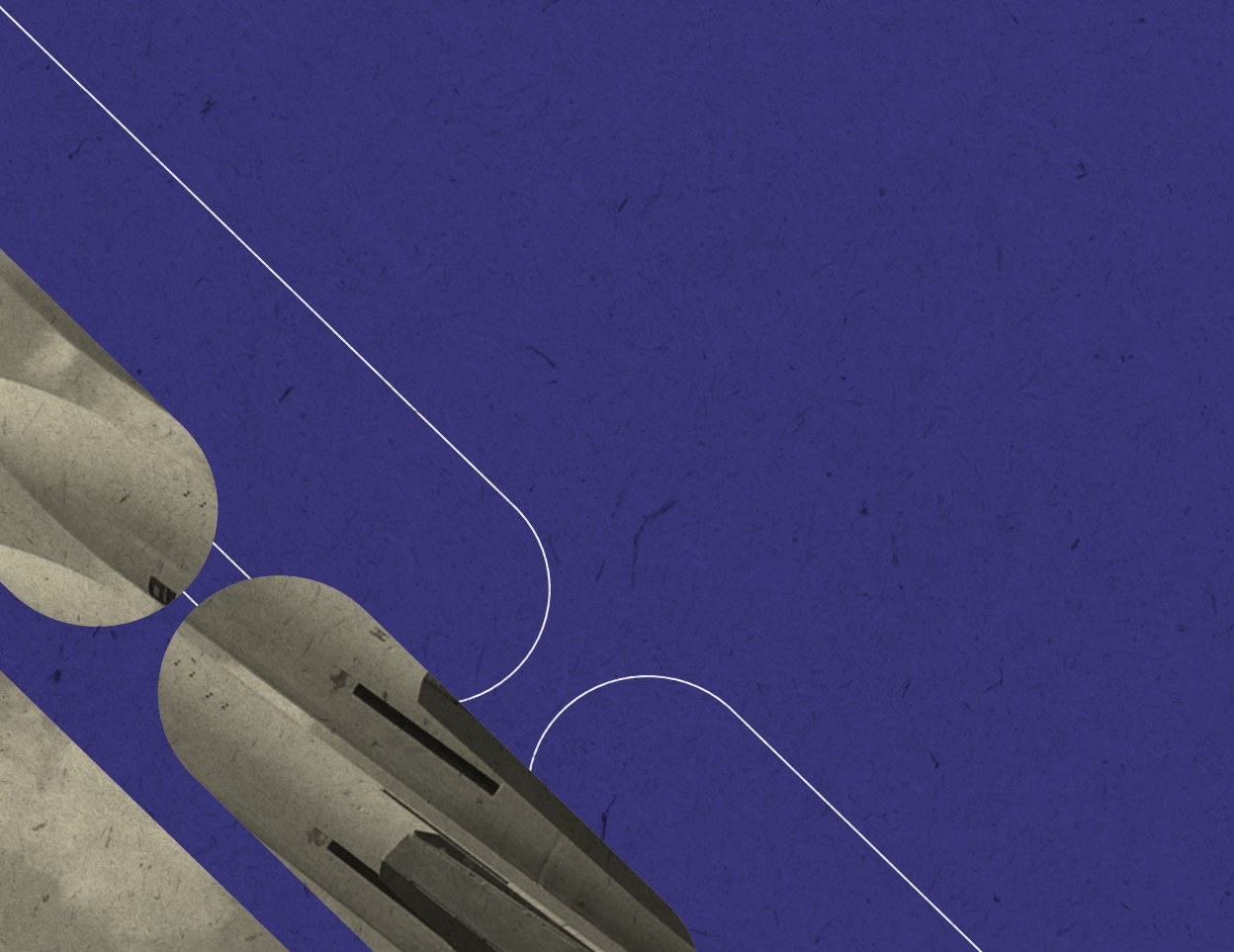
There is no doubt that political and religious leaders work toward enhancing their legitimacy and boosting their popularity. However, Muqtada al-Sadr has found himself faced with a current that never stops showering him with love, and calling on others to emulate him and his father Ayatollah Mohammad al-Sadr or giving him the status of the awaited Mahdi/ the messianic Infallible Imam. This is a huge debacle within the Shiite house and a stark contradiction of the Twelver Shiite's heritage and teachings. Thus, Sadr is aware that this current will not boost his popularity but rather will impact his religious and political legitimacy and perhaps totally isolate him from the scene and spoil his relationship with the hawza and other major actors. Thus, it was imperative to disavow this fringe current as did his father and to usher in a process of internal reform and "reset" his movement, and reintroduce himself as a religious and political reformer, thereby increasing his movement's future chances in the political process and maybe his personal chances within the corridors of the hawza and in the performance of ijtihad.

## Endnotes:

- (1) فرارو 4 سوال درباره برکناری وزیر صمت، (11 اردیبهشت 1402 ه.ش)، تاریخ الاطلاع: 3 مايو 2023 م. <https://bit.ly/3nUf6w8>
- (2) فاطمی امین چه سرنخی درباره مافیای خودرو به ما داد؟ (13 اردیبهشت 1402 ه.ش)، تاریخ الاطلاع: 3 مايو 2023 م. <https://bit.ly/3VSc5ce>
- (3) صناعة السيارات في إيران .. فساد عارم وسيطرة أبناء الكبار (12 مايو 2020)، تاریخ الاطلاع: 3 مايو 2023 م. <https://bit.ly/3VRqXaM>
- (4) خبرآنلاین، رهبرانقلاب: کیفیت خودروهای داخلی خوب نیست، مردم ناراضی اند و حق با مردم است، (10 بهمن 1400 ه.ش)، تاریخ الاطلاع: 4 مايو 2023 م. <https://bit.ly/3Bfm3L1>
- (5) ایران انترناشونال، مسؤول في شرطة إيران: فارق الجودة بين السيارات المحلية والمعياري العالمي.. «شاسع»، (18 أبريل 2023)، تاریخ الاطلاع: 5 مايو 2023 م. <https://bit.ly/3NZxQVq>
- (6) خبرگزاری جمهوری اسلامی، بررسی روابط ایران و عربستان در هشت سال دولت خاتمی (2)، 15 مرداد 1384، دخول: 30 أبريل 2023 م. <https://bit.ly/3LHqJif>
- (7) "Saudi Arabia Exports to Iran," Trading Economics, UN Comtrade Database, accessed May 3, 2023, <https://bit.ly/3B2ITWo>
- (8) "Saudi Arabia Imports from Iran," Trading Economics, UN Comtrade Database, accessed May 3, 2023, <https://bit.ly/3HKgVSM>
- (9) "Iran Seizes Second Oil Tanker in a Week in Gulf: US Navy," Reuters, May 3, 2023, accessed May 3, 2023, <https://bit.ly/41xhkil>
- (10) Maziar Motamedi, "Why Did Iran Seize a US-bound Oil Tanker in the Gulf of Oman?" Al Jazeera, April 29, 2023, accessed May 3, 2023, <https://bit.ly/44Q63wT>
- (11) "US Confiscates Iran Oil Cargo on Tanker Amid Tehran Tensions," Reuters, April 29, 2023, accessed May 3, 2023, <https://bit.ly/44NEsfB>
- (12) "Azerbaijan Expels Four Iranian Embassy Employees Amid Souring Relations," Radio Free Europe, April 06, 2023, accessed May 3, 2023, <https://bit.ly/3BwgHeR>
- (13) "Iran Hosts Armenian Security Chief Amid Unabating Tension With Azerbaijan," Amwaj Media, April 12, 2023, accessed May 3, 2023, <https://bit.ly/41nur5S>
- (14) Raffi Berg, "Iran Says Drone Attack on Military Site in Isfahan Was Thwarted," January 30, 2023, accessed May 3, 2023, <https://www.bbc.com/news/world-middle-east-64445306>
- (15) ناس نيوز، تقرير: هذه أسباب «الارتباك الصدري» في التعامل مع جماعة «أصحاب القضية»، 15 أبريل 2023 م (تاريخ الاطلاع: 01 مايو 2023 م). <https://bit.ly/3VkeZp0>
- (16) تغريدة لمتدني الصدر في حسابه الشخصي في تويتر بتاريخ 14 أبريل 2023 م. (تاريخ الاطلاع: 01 مايو 2023 م) <https://bit.ly/44btXCJ>
- (17) تجميد التيار الصدري.. جماعة أصحاب القضية تغضب الصدر بوصفه المهدي المنتظر، يوتيوب، 14 أبريل 2023 م (تاريخ الاطلاع: 30 أبريل 2023 م). <https://bit.ly/41NzccqD>
- (18) وثيقة رسمية نُشرت بتاريخ 29 أبريل 2023 م في الصفحة الرسمية لوزير مقتدى الصدر على موقع «فيسبوك» (تاريخ الاطلاع: 01 مايو 2023 م). <https://bit.ly/3B0bqfj>
- (19) رصانة، التيار الصدري و«أصحاب القضية».. أسباب الخلاف ودلالاته، 17 أبريل 2023 م (تاريخ الاطلاع: 25 أبريل 2023 م). <https://bit.ly/3LEnw9a>



# EXTERNAL AFFAIRS



The External Affairs section includes Iran's relations and interactions with the Arab and international spheres. At the Arab level, there were several developments in the context of relations between Iran and the Gulf states, particularly the intensive meetings between Saudi and Iranian officials that aimed to render effective the provisions of the agreement signed in the Chinese capital Beijing to pave the way for resuming diplomatic ties between the two countries. Some inaccurate Iranian analyses about Saudi Arabia agreeing to restore ties with Iran are also discussed. Regarding Iranian interactions in Iraq, the file touches on the two countries' plan to carry out the rail interconnection project as well as Iranian efforts to crack down on armed Iranian-Kurdish opposition groups or curb their activities. Concerning Syria, the file highlights the Saudi foreign minister's visit to Syria and its significations as well as the Iran-Israel military escalation in Syria. With regard to Iran-Yemen relations, the file looks at the Saudi delegation's visit to Sana'a and the position of regional and global parties on this visit. At the global level, the file discusses Iran-US interactions, the role of the Saudi-Iran rapprochement agreement in throwing into disarray the US calculus over Iran and the symbolic legal victory Iran will achieve due to the agreement with Saudi Arabia. The file also discusses the reports that indicate a US desire to reach a provisional agreement with Iran. Finally, it discusses the US Congress Foreign Relations Committee's decision to approve the imposition of sanctions on senior Iranian officials because of human rights abuses. Regarding Iranian interactions with Europe, the file spotlights three major developments: the International Atomic Energy Agency (IAEA) re-installing surveillance cameras at Iranian nuclear facilities, the failure of a prisoner swap deal between Iran and Belgium and the new European sanctions against Tehran as a result of issues related to human rights abuses.



## The Regional File

### Iran and the Gulf States

During April, there was more clarity on the Saudi-Iran agreement, with some observers expecting that the agreement may expand further and be more effective in terms of its economic and geopolitical impacts on the region while others hold lower expectations. Those who are optimistic about the agreement argue that it will gain further momentum, given the intertwined interests and relations between the Gulf and Iran — whether at the bilateral or regional and international levels.

#### **Saudi-Iran Endeavors to Implement the Agreement's Provisions**

In this context, Saudi and Iranian diplomacy was active during the month of April to promote the agreed upon understandings. The most prominent move was the bilateral meeting between Saudi Foreign Minister Prince Faisal bin Farhan and his Iranian counterpart Hossein Amir-Abdollahian on April 6, 2023, in Beijing— to discuss ways to activate the recent agreement that was signed at the Beijing Summit in March, 2023. The key features of this agreement are the reinstatement of ambassadors to carry out their duties, the resumption of flights, bilateral visits of official and private delegations and the facilitation of entry visas for citizens. During the meeting, the two sides stressed on the importance of follow-up and the effective implementation of the Beijing agreement. Accordingly, this will help in enhancing mutual trust and cooperation, achieving security, stability and prosperity in the region, and facilitating the imple-

mentation of the security cooperation agreement between the two countries that was signed on April 17, 2001, and the general cooperation agreement regarding the economy, trade, investment, technology, science, culture, sports and youth that was signed on May 27, 1998. In their joint statement, the two foreign ministers also emphasized the importance of developing relations to enable the two countries to exploit their resources and economic assets for the sake of the mutual benefit and interests of the peoples of the two countries, and to achieve security and stability in the region.<sup>(1)</sup>

The two capitals, Riyadh and Tehran, witnessed consecutive diplomatic delegations to prepare for the inauguration of their respective embassies. On April 20, 2023, a conference call was held between the two foreign ministers to follow up on the implementation of the agreed upon steps in Beijing.<sup>(2)</sup>

On a related issue, the Iranian foreign minister made a significant visit to Oman on April 25, 2023, during which he met with his Omani counterpart and the Houthi chief negotiator Mohammed Abdulsalam. Although the outcomes of the visit have not been made public,<sup>(3)</sup> analysts believe that it has implications in the context of Oman's mediation with international parties to revive the 2015 nuclear pact. The meeting with the Houthi representative indicated a possible Iranian attempt to influence the position of the Houthis as per the terms of the 2023 Beijing agreement between Saudi Arabia and Iran.

The Iranian statements reflect an intent to activate the Saudi-Iran agreement, but they are marred by

misinformation. Some analysts who are aligned with the Iranian narrative state that the agreement is primarily a Saudi need, and its signing is an outcome of the decline of Saudi Arabia's "destructive and fallacious role" in the region — as they claim. Despite the agreement, a provocative attitude still prevails among Iranian elites. In spite of the tangible benefits, such a mentality may paralyze the agreement and frustrate the optimists who look forward to a new phase that is characterized by stability and development. In this context, former Iranian Chargé d'Affaires in Saudi Arabia Ahmad Dastmalchia, in an interview with ISNA on April 23, 2023, about the cause of the recent change in Saudi foreign policy in the region said, "Saudi Arabia was forced after a decade of a policy of fueling tensions that led to a dead-end to move toward a rational approach in foreign policy." He also stated that "the crises created by Saudi Arabia recently in the region have somehow worked against the national interests of this country." However, he still believes that "Saudi-Iranian cooperation can be effective in establishing regional security and joint security cooperation, and will be a basis for economic development, joint investment and the expansion of trade interactions in the region."<sup>(4)</sup> Director of the Arabian Gulf Studies Group at the Center for Scientific Research and Middle East Strategic Studies in Tehran Javad Heirannia said in an interview with ILNA that the improvement of Saudi-Iranian relations should be interpreted as a move toward calm and not indicative of warmth and friendship. He also noted that the Saudis "are seeking de-escalation because they are looking for unity and strengthening their alliances so that they can maintain a greater balance of power in the face of Iran and its allies."<sup>(5)</sup> Commercial and

economic benefits are being talked of greatly because of Iran's difficult conditions. However, security issues and Iran's involvement in the region and its tensions with the international community still prevent it from attaining economic benefits and building strong relations with its neighbors, primarily the Gulf states.

After the invitation of Iranian officials to visit Saudi Arabia, we recently witnessed an interesting step by the Saudi ambassador to Russia. He attended the Iranian embassy's celebration of Army Day. This caught the attention of the Iranians.<sup>(6)</sup> Saudi Arabia's evacuation of Iranian nationals from Sudan to Jeddah was warmly welcomed by Iran. Hassan Zarnegar Abarghouei, the chief of the Iranian delegation in Saudi Arabia and chargé d'Affaires of the Iranian embassy in Riyadh, thanked the Saudi government for its efforts in evacuating 65 Iranian citizens from Sudan to Jeddah and then to Tehran, explaining that this is a clear example of Saudi Arabia and Iran's humanitarian and diplomatic cooperation.<sup>(7)</sup>

**Apparently,** the visions of Saudi Arabia and the Gulf states are positive and these countries look forward to a prosperous future while the vision of some Iranians is skeptical, hesitant and steeped in decades of multiple tensions and crises. Therefore, the Iranian media must shift from focusing on conflicts to maximizing possible opportunities, serving common interests and defusing the crises that have crippled the region and impoverished its people. Iran is required to play a positive and responsible role and set aside the destructive voices that may contribute to spoiling the recent gains and those that will be achieved if Iran and the Gulf are able to create a positive and supportive environment.

## Iran and Iraq

---

A series of Iranian moves and recent regional developments against the backdrop of the Saudi-Iran agreement (signed in Beijing to resume diplomatic relations, settle regional disputes and alleviate intra-regional tensions) indicate that Tehran is inclined toward focusing more on pragmatic rather than military dimensions for the next stage in its spheres of influence. This is to ensure that the agreement with Saudi Arabia is a success and to mitigate its internal and external crises. The most recent salient indicators of Iran's focus on pragmatic dimensions in the Iraqi arena during April 2023 are the following:

### **Accelerating the Implementation of the Railway Link Project With Iraq**

During his visit to Tehran on April 7, 2023, Iraqi Minister of Transport Razaq Mohibis al-Saadawi and Iranian Minister of Roads Mehrdad Bazarpush, announced an agreement to start implementing the Shalamcheh (western Iran) and Basra (southeastern Iraq) railway connection by the end of the holy month of Ramadan. Iran will start preparing the railway routes in Iran-Iraq border areas where mines were laid during the Iran-Iraq War in the 1980s and build a drawbridge across the Shatt al-Arab through which the railway passes. In parallel, Iraq will build a 32-kilometer-long railway track in Iraqi territory.<sup>(8)</sup> Many Iranian reports reveal that Iran has completed its railway track to be linked with the Iraqi track.

The railway link is an old project that Iran has always worked on, and it is one of its major links to connect the capital, Tehran, with the Mediterranean Sea through Iraq and Syria. If implemented, this project will grant Iran wider influence in the western region and Mediterranean. It also will provide Iran with significant financial revenues as it will boost tourism, the economy and trade with Iraq and Syria. In addition, it will help facilitate reconstruction projects in the two countries as well as smuggling and transferring weapons to Iran's proxy militias in Iraq, Syria and Lebanon.

This project and similar ones provide Iran with a gateway and significant influence in the Mediterranean region and strengthen its position on China's Silk Road. Therefore, many observers believe that these projects are more beneficial to Iran in spite of the challenges in implementing them such as the instability in Iraq and Syria and the emergence of internal actors who are against its role, especially in the Iraqi arena, and the positions of regional and international actors that are also against its role in Iraq.

### **Urging Iraq to Increase Bilateral Trade**

During his meeting with Iraqi President Abd Latif Rashid in Tehran on April 29, 2023, Iranian President Ebrahim Raisi stressed on the need to bolster trade relations between the two countries, amounting to \$10 billion, to greater levels.<sup>(9)</sup> The head of the Iranian-Iraqi Joint Chamber of Commerce Yahya al-Ishaq revealed on April 1,

2023, that the volume of bilateral trade increased by 23% in the Iranian year that ended on March 20, 2023, compared to the previous year. The two countries look forward to increasing trade to \$20 billion annually, and Iraq is the second largest trading partner of Iran after China.<sup>(10)</sup>

Iraq's significance in Iran's foreign trade is due to its geographical proximity, especially amid the harsh economic sanctions imposed on Iran owing to its nuclear ambitions. Iraq is the economic lifeline to circumvent and alleviate the impact of the sanctions on the Iranian economy that has deteriorated rapidly. International media outlets have revealed that Iraq has been a major outlet for sending and smuggling dollars to Iran since the sanctions were imposed in 2018. This was a motive for the US administration to take punitive measures against Iraq at the beginning of 2023 and pushed Washington to implement the SWIFT system in Iraq to limit dollar transactions to Iran.

### **Efforts to Decrease Iran's Military Operations in Northern Iraq**

During his visit to Baghdad on March 19, 2023, Iran's Supreme National Security Council Secretary Ali Shamkhani signed a security deal with his Iraqi counterpart National Security Adviser Qassem al-Araji for the protection of common borders and the strengthening of security cooperation. Some sources revealed that the aim of the deal was to coordinate with the Iraqi

government to eliminate armed Kurdish-Iranian opposition groups in Iraqi Kurdistan or limit their activities.

Iran's attacks in the Iraqi arena have always fueled regional differences. Iran has continued its strikes in northern Iraq, arguing that the Iraqi government has not dealt with the armed Iranian Kurdish opposition adequately, which Tehran accuses of threatening its national security and cooperating with Israel. Therefore, it is believed that the security deal will result in a decrease in the number of Iranian strikes in Iraq and the strengthening of the Baghdad government's influence in northern Iraq along the border with Iran and Turkey. This area has been under the influence of the Peshmerga forces of the Iraqi Kurdistan government to prevent the Iranian Kurdish opposition from attacking Iran from Iraqi territory. The Baghdad government is committed to preventing the Iranian Kurdish opposition from targeting Iran from Iraq. Hence, a new security situation will be imposed in northern Iraq to prevent armed militias from targeting Iran.

**Evidently**, Iran is forging a new regional policy to tackle the outstanding issues with Saudi Arabia, especially in the Iraqi arena. This new policy reflects not only the orientation of the presidency but also of the House of the Supreme Leader. Iranian efforts to develop a pragmatic dimension toward the region were spearheaded primarily by Shamkhani.

## Iran and Syria

---

In April, Syria witnessed contrasting developments: first, openness and pacification; rapprochement with the Arab world. This included the visit of Syrian Foreign Minister Faisal Mekdad to Saudi Arabia. Second, Iran-Israel confrontation which conflicted with the Arab normalization with the Syrian government.

### **The Visit of the Syrian Foreign Minister to Saudi Arabia and Its Implications**

Saudi Foreign Minister Prince Faisal bin Farhan visited Damascus where he met Syrian President Bashar al-Assad.<sup>(11)</sup> The visit came days after a similar visit by the Syrian foreign minister to Jeddah. The city hosted a consultative meeting of GCC foreign ministers and their counterparts from Jordan, Egypt and Iraq to discuss a roadmap proposal to tackle the Syrian crisis and its repercussions. The meeting's declaration of 10-item principles and proposals to resolve the Syrian crisis have humanitarian, political and security dimensions in order to reintegrate Syria into the Arab fold. The aforementioned will be broken down into a number of stages. The first is a focus on the humanitarian dimension followed by security including the priority to fight the Captagon industry, prevent its trafficking to Arab countries, control of the Syria-Jordan border and combat militias and the flow of arms in Syrian territories. The final stage deals with issues related to the ultimate objective: reaching an inclusive political settlement to the Syrian crisis within the framework of UN Resolution 2254.

The current rapprochement between the Kingdom of Saudi Arabia and the Syrian government is nothing new as it started more than four years ago. However, the recent Saudi-Iran agreement contributed to increasing the momentum of this rapprochement and bringing it closer to realization. Calculations of Saudi-Arab openness and the presentation of a new roadmap are driven by different reasons and developments to the calculations of the Arab boycott of Assad's government and Syria's suspension from the Arab League. As for Saudi Arabia, the rapprochement with the Assad government is part of its new priorities and a broader strategy toward the Arab region that is based on avoiding confrontation, resolving disputes throughout the Arab region, curbing the Iranian role and limiting it within the framework of positive relations with regional countries.

Many dilemmas and deep-rooted challenges are facing Saudi and Arab aspirations for seeking a suitable solution to the Syrian crisis, primarily the difficulty in extricating Syria from Iran, which has become a strategic and entrenched partner in official and unofficial state institutions. The deeply rooted problems will impact the trajectory of Syrian-Arab relations. These are related to the complexity of the Syrian map and the diverse network of militias scattered across Syrian territories.

In addition, Iran's desperate situation in light of its bleak economic reality and political isolation may force it to make some necessary concessions within the framework of regional understandings and the subsequent economic salvation, especially if it fulfils its obligations and radically changes its behavior. However, Iran's inclination toward Syria rules out the

prospect of it completely abandoning the influence it has established in the country over decades, and swapping its influence and military and cultural gains for achieving economic profits.

### **Military Escalation Amid the Ongoing Pacification**

During April, Syrian airspace and territories witnessed Iran-Israel escalation against the backdrop of geopolitical drivers and rapid developments in the Syrian file and its regional stakeholders. Tehran and Tel Aviv quickly attempted to shape Syria's reality and strategic environment in order to realize and consolidate their strategic interests. The aforementioned anticipates a stage indicating a shift in the reality of actors, particularly their ability to influence new trajectories, whether at the Syrian, regional or global levels.<sup>(12)</sup>

Tehran has an excellent opportunity to create a new reality because of several factors, including the US decline in the Middle East, the United States' and Russia's focus on the Russia-Ukraine war, and Israel's prolonged internal crises that threaten to fracture the ruling right-wing coalition. Therefore, Iran is working to strengthen its ability to restore its strategic status by building a military infrastructure ready with weapons that can influence the current equations in the region. This means the strengthening of air defense systems and precision mis-

sile components which would enable Tehran to change the rules of future engagement.

Tel Aviv's escalation was via intensifying its military attacks following Beijing's announcement of the return of Saudi-Iran relations and in light of Arab openness to the Syrian government, and talks regarding the Arab League readmitting Damascus. The latter will put Damascus in a stronger position to pressure and mobilize Arab voices to condemn the repeated Israeli attacks on its territories. Israel is alarmed at the positive diplomatic moves and attempts to reach settlements and political arrangements to alleviate regional pressures on Iran and end its isolation. Hence, Tel Aviv aims to position itself as a wild card in all possible equations and to stabilize the conflicts in its strategic periphery, most notably in the Syrian arena. This can be achieved by causing damage to Iranian interests and raising the bar in this respect.

**Finally**, the military escalation of Tehran and Tel Aviv came amid Arab endeavors to end the Syrian crisis — which may eventually impact their interests and calculations/plans. Therefore, Iran's moves and Israel's responses to them greatly aim to shape Syria's reality in line with each party's interests. Israel will work to keep the escalation within a limited framework to ensure that it never leads to war with Iran.

## Iran and Yemen

---

As part of the relentless endeavors of the government of the Kingdom of Saudi Arabia to resolve the Yemeni crisis, a Saudi delegation visited the Yemeni capital Sana'a on April 18, 2023. Talks were held with the Houthis to stabilize the truce and discuss ways to find an inclusive and sustainable political solution after years of war. This visit, which may reflect positively on the outcome of the Yemeni conflict, was widely welcomed and praised regionally and internationally, especially by the UN, the Arab League and the GCC.

### **The Significance of the Saudi Delegation's Visit to Sana'a**

In an extension of the Saudi endeavors and initiatives to establish peace in Yemen, the Saudi delegation headed by Saudi Ambassador to Yemen Mohammed al-Jaber held several talks and in-depth discussions with the Houthis on a number of files, primarily about the humanitarian situation in Yemen — an Omani delegation also participated in the Sana'a talks between April 8 to April 13. The talks included the release of all prisoners, a ceasefire and an inclusive political solution in Yemen.

These talks culminated in the release of many prisoners between the Yemeni government, the Houthis and Saudi Arabia. The Saudi Ministry of Foreign Affairs said in a statement that the Sana'a talks were transparent, positive and constructive, and will resume as soon as possible with the aim of achieving a sustainable and mutually acceptable political solution.<sup>(13)</sup>

Many observers believe that the Saudi-Iran agreement, which stipulates Iran's non-interference in Arab internal affairs, especially in Yemen, may reflect positively on the Yemeni

crisis and the Houthi position, which is typically aligned with Iran's policies in the region. This agreement will contribute to ending Iran's support to the Houthis. This will increase the prospect for peace in Yemen and the involvement of the Houthis in the future peace process, like any other Yemeni political component. To this end, the Houthis will have to abandon their exclusionary politics.

### **The Position of Regional and International Parties on the Visit of the Saudi Delegation to Sana'a**

The visit of the Saudi delegation to Sana'a widely resonated and was applauded by regional and international parties. UN envoy for Yemen Hans Grundberg praised the direct talks between the two parties, "The depth and seriousness" of the talks between stakeholders in Yemen, including the visit of Saudi and Omani delegations to Sana'a, is encouraging. "My role has consistently remained focused on resuming an inclusive, Yemeni-led political process. Only such a process can deliver a sustainable settlement and bring about a future of durable peace and development," Grundberg added.<sup>(14)</sup>

The GCC praised Saudi-Omani mediation efforts between the legitimate government and the Houthis. It emphasized that these efforts reflected the consistent position of all member countries that aim to end the Yemeni crisis and reach a political solution. The GCC secretary general said that the prisoner exchange agreement provides a new glimmer of hope that gives impetus to the efforts aiming to end the Yemeni crisis, outlines the parameters of stability in Yemen and the region in accordance with the GCC Initiative and its implementation

mechanism as well as the outputs of the Yemeni National Congress and the decisions of the UNSC, including Resolution 2216 and 2624.<sup>(15)</sup>

It is worth noting that the Yemeni government welcomed the statement issued by Saudi Arabia on its delegation's visit to Sana'a. The Ministry of Foreign and Expatriate Affairs in a statement commended Saudi Arabia's efforts to alleviate the human suffering of the Yemeni people and resuscitate the peace process in Yemen as an extension of the country's previous initiatives.<sup>(16)</sup>

**The visit of the Saudi delegation to Sana'a reaffirmed the country's res-**

**olute position toward supporting the process of finding a political solution to the crisis — this outcome is accepted by all stakeholders. It also aimed to continue the efforts and support the position of the Presidential Leadership Council that has made a political solution a priority to achieve the aspirations of the Yemeni people. Therefore, the Houthis have only two options: either to engage seriously in the peace talks and reach a comprehensive political solution, or to defy the will of the Yemeni people and the international forces that seek peace.**



## The International File

---

### Iran and the United States

The Saudi-Iran rapprochement agreement has thrown the US calculus over Iran into disarray. Despite its benefits, notably in terms of Yemeni truce efforts, the agreement allows Iran to sidestep US pressures. The agreement also curbs coordination between Riyadh and Washington in regard to Iran and undermines the US vision concerning regional security and the subsequent arrangements in this respect. Additionally, the agreement grants Iran an opportunity to end its isolation and repair relations with major actors in the region — all within the framework of its efforts to tighten the noose around the US presence in the Gulf and the wider region. China's growing role and mounting clout in the Middle East further perplexes the United States. Nonetheless, it is clear that the United States and Iran are maintaining a traditional strategy of mutual exertion of pressure. The major developments witnessed in April 2023 can be highlighted through several axes — primarily the following:

#### **A Symbolic Legal Triumph for Iran**

The International Court of Justice turned down Iran's request to have its assets that are frozen in the United States released; these assets are controlled by the Iranian Central Bank. However, the court decided that the assets of a number of Iranian banks and firms being frozen violated US obligations under the 1955 Treaty of Friendship. The court also ruled that the United States should compensate Iran for the losses incurred as a result of the confiscation of its assets. "If at the end of these two years, the two par-

ties are unable to present these losses," IRNA reports, "the independent court will intervene and enact this fine." Thus, the two parties have the right to first negotiate a solution jointly. If they are unable to reach an agreement, the court will continue to consider the case and award compensation.<sup>(17)</sup>

#### **Prioritizing Diplomacy While Amassing Levers**

According to press reports, the United States is negotiating a provisional accord with its partners on the Iran nuclear deal. Some sanctions will be lifted in exchange for parts of Iran's nuclear program being frozen, including uranium enrichment at 60%. According to these reports, the Iranians are aware of this provisional accord but have so far rejected this idea. The proposal has been on the table since the outset of the negotiations, but Iran has insisted on a full, rather than partial, return to the deal.<sup>(18)</sup> There is little doubt that floating offers on a provisional accord signal that the negotiations remain the best route for the United States and Iran to resolve the Iranian nuclear issue. However, each party strives to exert pressure on the negotiations by using the levers at its disposal.

In early April 2023, Iranian Foreign Minister Hossein Amir-Abdollahian reiterated that the door of nuclear negotiations will not remain open indefinitely. Abdollahian visited Moscow as part of coordinating positions on the nuclear talks. The Iranian Parliament, meanwhile, debated a bill that sets a timeframe for the Iranian gov-

ernment’s involvement in the nuclear negotiations. Mohammad Eslami, the head of the Iranian Atomic Energy Organization, announced that his country is capable of enriching uranium whenever it needs and at whatsoever rate it wants. For its part, the United States has reiterated its commitment to preventing Iran from acquiring nuclear weapons. In addition, it has restated that diplomacy is the best means to achieve this end — while keeping other options on the table.

**More Sanctions Against Iran and Its Proxies**

The United States has continued to impose sanctions on Iran and its proxy actors in the region in coordination

with its allies, particularly the UK. In this regard, we can point to the US Congress Foreign Relations Committee’s unanimous endorsement of the Mahsa Act, which was introduced by bipartisan members and prepares the way for additional evaluations before it is sent to the Congress. If passed, the law requires the US government to hold Khamenei, his office, those appointed by him, institutions connected to him, Ebrahim Raisi and his cabinet members accountable for human rights violations in Iran. The US government has also imposed further penalties, as seen in Table 1 below.

**Table 1: US Sanctions on Iran and Its Proxies (April 2023)**

| Date     | Measure   |
|----------|---|
| April 18 | According to the US Department of Justice, a Colombian court convicted two international trading companies guilty of breaking US export regulations and shipping forbidden items to Iran and condemned their activities   |
| April 18 | Offering a reward of up to \$7 million in exchange for information leading to the identification of key Hezbollah leader Ibrahim Aqil   |
| April 18 | Targeting an international network that facilitates the payment, shipping and delivery of cash, artwork and luxury goods for the benefit of Hezbollah financier and specially designated global terrorist Nazem Saeed Ahmed. Offering a reward of up to \$10 million for information on Hezbollah’s financial mechanisms. These measures implemented are in coordination with the UK  |
| April 20 | Imposing sanctions on an Iranian network that operates in Iran, the People’s Republic of China, Malaysia and includes one individual and six businesses that support the procurement activities of an Iranian company subject to US sanctions, Pardazan System Namad Arman (PSANA). This network has allowed PASNA to purchase electronic components, such as those used in UAVs, from overseas suppliers, primarily from China |

|          |   |
|----------|---|
| April 24 | The US State Department imposed visa restrictions on 11 Iranian government employees who have been accused of abusing, detaining or killing peaceful protestors, or of impeding their right to free expression or peaceful assembly. The US Treasury Department also imposed sanctions on four individuals who are closely linked to military and IRGC units involved in the brutal suppression of protesters in Iran. The department also sanctioned the secretary of Iran's Supreme Cyberspace Council; an entity designated by the United States |
| April 27 | Sanctioning the IRGC Intelligence Unit for its role in the illegal detention of US citizens. In addition, the US Treasury Department imposed sanctions on four senior IRGC officials  |

### A Mounting Confrontation in the Region

Following the exchange of attacks in Syria, Iran and the United States traded allegations before the UN Security Council. In response to the US allegations against Syria, Iran's Permanent Representative to the UN Amir Saeid Jalil Irvani wrote to the UN secretary-general and the president of the Security Council. He reiterated that Iran's presence in Syria is legal, warning that Iran will take decisive measures to protect its forces, interests and facilities against any threat. In response to the Iranian attacks that killed an American contractor, the US military equipped fighters sent to the Middle East with 250-pound "bunker buster" bombs, a new measure being implemented for the first time in the region to deter Iran. Iran also seized an oil tanker in the Gulf of Oman that was sailing toward the United States under the Marshall Islands flag. The US Fifth Fleet urged Iran to quickly release the ship. As the confrontation between the two sides escalated, the US deployed a nuclear submarine carrying guided missiles in the Gulf region to bolster

the US Fifth Fleet headquartered in Bahrain. The measure was taken following a US-Israel warning that the IRGC was planning drone strikes on commercial ships in the Gulf region and the Arabian Sea. This measure, without a doubt, is part of strengthening the deterrence policy against Iran and protecting marine navigation in the region.

Iran also continued to develop its drones, which have become effective in the country's strategy toward the United States and the West. The IRGC unveiled the Meraj-532 drone, releasing video footage showing the drone taking off from a launching pad mounted on a small truck. The IRGC reiterated that the drone has precisely hit targets. Iranian naval forces also announced that two Iranian navy fighter jets ward off a US spy plane that attempted to violate the country's airspace on April 2, 2023.<sup>(19)</sup>

**Confrontation is the hallmark of US-Iran relations**, with the United States maintaining its policy of increasing pressure on Iran to curb the threats it poses. The United States appears to be confident in its deterrence efforts, especially considering Iran's

aspirations to militarize its nuclear program. It is also strengthening its regional deterrence policy in order to maintain its position and clout in the region, leaving little room for a growing Chinese role in the aftermath of the Saudi-Iran accord. The United States also works with its allies to coordinate its actions against Iran. At the same time, Iran is beefing up its con-

frontation capabilities and attempting to capitalize on recent regional and global shifts in order to end its isolation, erode US sanctions and prevent Washington from leading any regional bloc aimed at confronting it. As a result, the United States is enhancing ties with Saudi Arabia and other countries in the region.

## Iran and Europe

Iran's frosting relations with Europe seem to continue with no end in sight. The month of April witnessed more European pressure on Iran's nuclear program and human rights file but with marginal punitive consequences. Tehran and Brussels have lost optimism about any positive outcomes. Despite approving an extradition treaty with Iran, Belgium remains reluctant to swap Tehran's convicted diplomat Assadollah Assadi for its jailed citizen Olivier Vandecasteele.

### **IAEA Reinstalls Monitoring Equipment in Iran's Nuclear Facilities**

The International Atomic Energy Agency (IAEA) started reinstalling its monitoring equipment, including its removed cameras in Iran's nuclear facilities after a mutual agreement was reached during the visit of the watchdog's director general in early March.<sup>(20)</sup> The process is likely to be completed by the second week of May.<sup>(21)</sup> It is reported that Iran has not provided access to camera feed since February 2021 when the cameras were removed. It is an extremely alarming decision by the Iranian government which generates further distrust and speculation about its nuclear program.

On April 17, a forceful statement was released by the G7 Non-Proliferation Directors Group which was made available on all member-states' foreign ministry websites. "We remain deeply concerned by Iran's unabated expansion of its nuclear activities. Iran has continued manufacturing, installing and operating thousands of advanced centrifuges, well in excess of committed limits, and has continuously

accumulated knowledge and HEU for which it has no credible civilian justification."<sup>(22)</sup>

It noted that Iran could now enrich enough nuclear material for a weapon in weeks or less, if it were to choose this path. "We are particularly concerned by Iran's failure to declare in advance changes to the configuration of centrifuge cascades at the Fordow facility, as required by its safeguards obligations, and the subsequent detection there by the IAEA of particles of uranium enriched up to 83.7 percent U-235, inconsistent with its declared level of enrichment."<sup>(23)</sup>

### **Hindrances in Exchanging Prisoners Between Iran and Belgium and New Sanctions on Tehran**

Iran's talks to rescue its jailed diplomat on charges of terrorism in 2018 remain fruitless. Still, its judiciary spokesman Masoud Setayshi claimed, "Belgium has requested an exchange and so have we for our diplomat Asadollah Assadi. Following the necessary protocols, such an exchange will be done soon." Brussels forcefully denied this claim.

Belgian Minister of Justice Vincent Van Quickenborne reacted, "This is a false message from a rogue state that specializes in making false statements. They do this to manipulate and confuse an innocent compatriot and his family."<sup>(24)</sup> The Belgian Constitutional Court upheld a prisoner exchange treaty with Iran in March, raising the prospects of Assadi's release in exchange for jailed aid worker Olivier Vandecasteele.<sup>(25)</sup> It came just days after the Council of the European Union announced to "impose restrictive measures on eight additional individuals

and one entity responsible for serious human rights violations in Iran."<sup>(26)</sup>

Among the banned entities is Iranian mobile service provider, Ariantel, for contributing to the telecommunications surveillance architecture of the Iranian government to curb dissent in Iran. In effect, the move will disconnect the roaming services of European telecom operators with the Iranian entity. Ariantel will not be able to access Western technology and software through legitimate means. Iran's telecommunications sector predominantly relies on Chinese technology.

Others listed include lawmakers in the Iranian Parliament, members of the IRGC and IRCG Cooperative Foundation, a body responsible for man-

aging the IRGC's investments and providing funds for the repression of protestors. The number of sanctioned Iranian individuals has now reached 211 people and 35 entities. The assets of these individual and entities have been frozen and they are prohibited from raising funds or economic resources from the continent. The sanctioned individuals also face travel bans to Europe.

**Finally**, Iran's ties to Europe and the European Union are inextricably linked to the revival of the JCPOA and compliance with IAEA safeguard obligations. The prospects of the nuclear deal's revival remain miniscule in May too; hence prompting the indefinite continuation of fraught relations.

## Endnotes

- (1) إندبندنت عربية، لقاء نادر بين وزير الخارجية السعودي والإيراني في بكين، 06 أبريل 2023م، تاريخ الاطلاع: 05 مايو 2023م، <https://bit.ly/3LvgiOt>.
- (2) العربي الجديد، وزيراً خارجية السعودية وإيران يبحثان «الخطوات المقبلة» في اتفاق استئناف العلاقات، 20 أبريل 2023م، تاريخ الاطلاع: 04 مايو 2023م، <https://bit.ly/3VyslPo>.
- (3) العربي الجديد، وزير الخارجية الإيراني يبحث في عُمان توقيت زيارة بن طاروق لطهران، 25 أبريل 2023م، تاريخ الاطلاع: 04 مايو 2023م، <https://bit.ly/3nmRjEV>.
- (4) وكالة أيسنا، أحمد دستماجيان: النهج العقلاني يحكم السياسة الخارجية للسعودية في المنطقة، 03 مايو 2023م، تاريخ الاطلاع: 05 مايو 2023م، <https://bit.ly/3HSs97V>.
- (5) وكالة إيلنا، السعودية تبحث عن تهدئة في المنطقة لصادقة وحميمية، 24 أبريل 2023م، تاريخ الاطلاع: 08 مايو 2023م، <https://bit.ly/3M4iFZK>.
- (6) وكالة الأنباء الإيرانية (إيرنا)، السفير السعودي يشارك في مراسم الاحتفال بعيد الجيش الإيراني في موسكو، 29 أبريل 2023م، تاريخ الاطلاع: 07 مايو 2023م، <https://bit.ly/3plyUZo>.
- (7) موقع شفقنا، القائم بأعمال السفارة الإيرانية يُشيد بتعاون السعودية في إجلاء الرعايا الإيرانيين من السودان، 30 أبريل 2023م، تاريخ الاطلاع: 08 مايو 2023م، <https://bit.ly/3AFwdV2>.
- (8) وكالة أنباء فارس، إيران والعراق يتفقان على البدء في إنشاء خط سكة حديد شلمجة-البصرة، (05 أبريل 2023م)، تاريخ الاطلاع: 30 أبريل 2023م، <https://bit.ly/41RqSWK>.
- (9) رسالت، آيت الله سيد ابراهيم رئيسي در نشست خبری با عبد اللطيف رشيد، رئيس جمهور عراق: نسبت به حقه ايران وذخاير آبی منطقه تاكيد داريم، (10 اردیبهشت 1402)، تاريخ الاطلاع: 30 أبريل 2023م، <https://bit.ly/3nliiwt>.
- (10) بايکه خبری توليد اقتصاد، آل اسحاق خبرداد: رشد 20 درصدی تجارت ايران وعراق در سال 1401، (12 فروردین، 1402)، تاريخ الاطلاع: 30 أبريل 2023م، <https://bit.ly/3HuiQLc>.
- (11) خبرگزاری دانشجویان ايران، اهداف سفر وزير خارجه عربستان به سوریه، (29 فروردین 1402 ه.ش)، تاريخ الاطلاع: 30 أبريل 2023م، <https://bit.ly/3L7BCdy>.
- (12) فرارو، درگیری ایران و اسرائیل در سوریه چگونه خواهد بود؟، (12 اردیبهشت 1402 ه.ش)، تاريخ الاطلاع: 01 مايو 2023م، <https://bit.ly/426i9zi>.
- (13) إندبندنت عربية، الخارجية السعودية: أجواء تفاؤلية وإيجابية سادت المناقشات في صنعاء، (15 أبريل 2023م) تاريخ الاطلاع: 02 مايو 2023م، <https://bit.ly/3B3Z7hK>.
- (14) Aziz el-Yaakoubi "UN Envoy Encouraged by Peace Talks Between Yemen Stakeholders," Reuters, April 11, 2023, accessed May 15, 2023, <https://bit.ly/3o1X3nC>.
- (15) العربية، التعاون الخليجي يرحب بتبادل أسرى اليمن... ويشيد بوساطة السعودية وعمان، (14 أبريل 2023م) تاريخ الاطلاع: 02 مايو 2023م، <https://bit.ly/3M2rzXz>.
- (16) اليوم، اليمن يشيد بجهود المملكة المستمرة لإحياء مسار السلام وإنهاء معاناة اليمنيين، (16 أبريل 2023م) تاريخ الاطلاع: 03 مايو 2023م، <https://bit.ly/3nDV2hk>.
- (17) وكالة إيرنا، تلاش های دولت نتیجه داد/ آمریکا باید طی 2 سال خسارات وارده به ایران را جبران کند، (11 فروردین 1402 ه.ش)، تاريخ الاطلاع: 30 أبريل 2023م، <https://bit.ly/42YeTHW>.
- (18) وكالة إيرنا، ادعای رسانه آمریکایی: دولت بایدن در پی توافق موقت با ایران است، (14 فروردین 1402 ه.ش)، تاريخ الاطلاع: 30 أبريل 2023م، <https://bit.ly/3U2RP6j>.
- (19) وكالة تسنيم، شناسایی وخطار نیروی دریایی ارتش به هواپیماي جاسوسی آمریکا، (13 فروردین 1402 ه.ش)، تاريخ الاطلاع: 30 أبريل 2023م، <https://bit.ly/3ZPv6wp>.
- (20) Kelsey Davenport, "Iran Agrees to Increase Nuclear Transparency," Arms Control Today, April 2023, accessed May 12, 2023, <https://bit.ly/3M84Auf>.
- (21) Laurence Norman, Twitter thread, May 2, 2023, 1.44 pm, accessed May 12, 2023, <https://bit.ly/3LM3tPN>.
- (22) "Statement of the G7 Non-Proliferation Directors Group," Ministry of Foreign Affairs of Japan, April 17, 2023, accessed May 12, 2023, <https://bit.ly/3poOZh9>.
- (23) Ibid.
- (24) Tim Stickings, "Iran Upholds Death sentence for German Dual Citizen," The National, April 26, 2023, accessed May 12, 2023, <https://bit.ly/3M8rjgl>.
- (25) "Belgium Is Looking Into Iran's Request to Free Jailed Diplomat in Swap," Reuters, April 27, 2023, accessed May 1, 2023, <https://bit.ly/3pluCRV>.
- (26) "Iran: Council Sanctions Eight Additional Individuals and One Entity Over Human Rights Violations," Council of the EU, April 24, 2023, accessed May 1, 2023, <https://bit.ly/3B4nkEV>.







# Iran Case File

April 2023

[WWW.RASANAH-IIHS.ORG](http://WWW.RASANAH-IIHS.ORG)

