



MANOHAR PARRIKAR INSTITUTE FOR
DEFENCE STUDIES AND ANALYSES

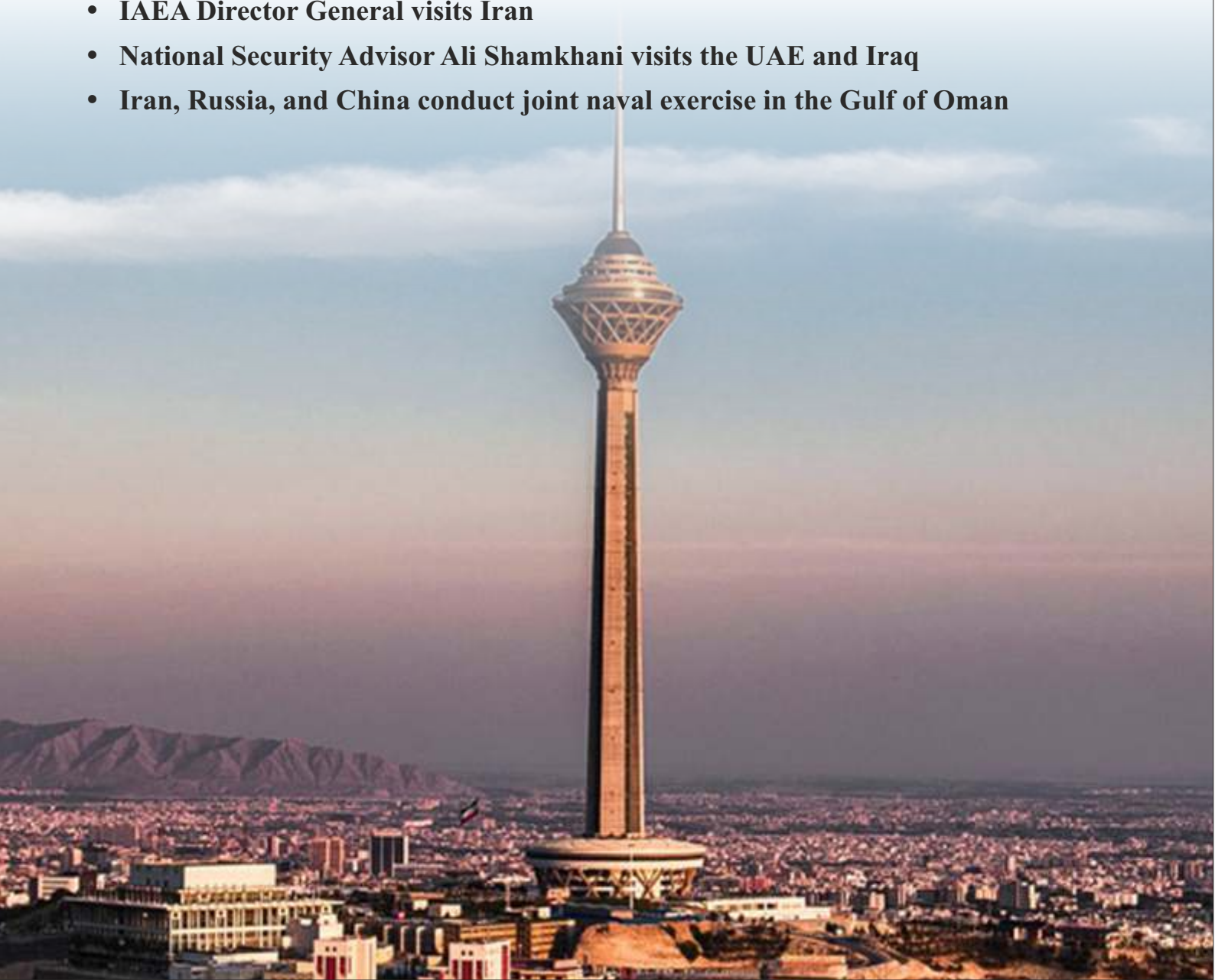
मनोहर पर्रिकर रक्षा अध्ययन एवं विश्लेषण संस्थान

Iran

Digest

March 2023

- **Iran and Saudi Arabia agree to restore diplomatic ties**
- **Iran receives Taliban ministerial delegations on trade, refugees**
- **IAEA Director General visits Iran**
- **National Security Advisor Ali Shamkhani visits the UAE and Iraq**
- **Iran, Russia, and China conduct joint naval exercise in the Gulf of Oman**



Iran and Saudi Arabia agree to restore diplomatic ties

On 10 March after four days of intensive negotiations in Beijing National Security Advisors of Iran and Saudi Arabia together with the Chinese State Councillor Wang Yi released a [trilateral statement](#) declaring that Iran and Saudi Arabia had agreed to resume diplomatic relations and reopen embassies within two months. The statement focussed on normalising bilateral ties on the basis of their affirmation of the respect for the sovereignty and the non-interference in internal affairs of states and implementing previous agreements such as the 2001 Security Cooperation Agreement and 1998 General Agreement for Cooperation in the Fields of Economy, Trade, Investment, Technology, Science, Culture, Sports, and Youth. The five rounds of security dialogue in Baghdad have focussed on the civil war in Yemen, where the Saudi-led coalition has been fighting Houthi rebels since 2015. Iranian Foreign Minister, Hossein Amir-Abdollahian, welcoming the agreement tweeted that Raisi administration's "Neighborhood Policy is moving strongly in the right direction and the diplomatic system is actively looking for more regional steps." Chinese foreign ministry in a [statement](#) on 11 March noted that the deal set a good example for countries to resolve regional conflicts through dialogue, and will help regional countries to get rid of external interference and take the future into their own hands". Since then Abdollahian and his Saudi counterpart Prince Faisal bin Farhan have had two phone calls discussing "common issues" and have agreed to meet during the ongoing Islamic holy month of Ramadan. Saudi King Salman bin Abdulaziz has invited Iranian President Ebrahim [Raisi to visit Saudi Arabia](#). Abdollahian has noted that Iran will send a similar invitation to the King of Saudi Arabia. Chinese President Xi Jinping in a phone call with Saudi Crown Prince Mohammad Bin Salman maintained that China is ready to continue to [support the follow-up process](#) of the Saudi-Iranian dialogue.

Iran receives Taliban ministerial delegations on trade, refugees

On 16 March, Hassan Kazemi Qomi, Iran's ambassador to Afghanistan, noted that constructive talks were held during a visit by the Acting [Minister of Industries and Commerce](#) of Afghanistan to Tehran with the aim of increasing trade between the two countries. The inauguration of the Khaf-Herat Railway, improving the level of business activities at Chabahar Port and the removal of transit barriers at the border terminals were among the main topics of discussion. In December 2020, Iran and Afghanistan inaugurated the 225-km [Khaf-Herat railway](#) line, of which only an 85 km-long stretch running between Ghurian and Herat remains to be completed. Iran has also built a Free Trade and Processing Zone on its side of the border at Khaf. In another development, following up an agreement reached during the visit of a Taliban delegation, Iran handed over 268 Afghan citizens who were imprisoned in Iran were to Afghanistan at Islam Qala border crossing on 6 March. There are six thousand Afghan refugees in Iranian prisons convicted of different criminal acts. On 28 March Taliban's Minister of Refugees and Repatriation Khalil-ur-Rahman [Haqqani met Kazemi Qomi](#) asking him that Iran implement the bilateral agreement about Afghan refugees and provide necessary cooperation with them in Iran.

IAEA Director General visits Iran

During the IAEA Director General [Rafael Grossi's](#) visit to Iran on 3 and 4 March, the Atomic Energy Organization of Iran and the IAEA agreed on a voluntary basis will allow the IAEA to implement further appropriate verification and monitoring activities. They also agreed on continued cooperation regarding outstanding safeguards issues related to the three locations. The visit came in the run-up to the quarterly IAEA board of governors meeting. Grossi's last visited Tehran in March 2022, when the two sides agreed on

a three-month plan to settle the Agency's investigation into uranium traces found at three old but undeclared sites. In June 2022, the IAEA had accused Iran of not providing technically credible answers. Following, a censure resolution in the same month, Iran had [dismantled monitoring cameras](#) installed under the JCPOA, leading Grossi to warn about "serious challenges" in maintaining a "continuity of knowledge" about Iran's programme. Upon his return to Vienna, Grossi told reporters that Tehran had also consented to a "50% increase in inspections" at the Fordow fuel enrichment plant. Under the JCPOA, underground facility at Fordow was banned from carrying out enrichment activities, and was converted into a research plant. However, in November 2019 retaliating against the US withdrawal from the agreement, Iran began enrichment in the plant. In November 2022, IAEA confirmed that enriching of uranium to 60% purity at Fordow. In February 2023, the IAEA criticised Iran for making an undeclared change to the interconnection between the two cascades of IR-6 centrifuges enriching uranium to up to 60% purity. Pressure mounted on Iran when the environmental samples collected by IAEA inspectors during a visit in January 2023 indicated uranium [particles enriched up to 83.7%](#). After initial optimism, Grossi struck a more cautious note on 7 March, telling reporters that Iran's concessions to the agency would largely hinge on [future technical talks](#).

National Security Advisor Ali Shamkhani visits the UAE and Iraq

On 19 March, during his visit to Iraq, Rear Admiral Ali Shmkhani, the secretary of Iran's Supreme National Security Council and his Qassim al-Araji signed an agreement on security cooperation. The agreement signed in the presence of Iraqi Prime Minister Mohammed Shia' Al-Sudani is aimed at [boosting security cooperation](#) along their border. The official Islamic Republic News Agency said the

agreement was in response to the "mischief of anti-Islamic Establishment elements residing in Iraq's Kurdistan region." During the recent nation-wide protests, Iran accused Iranian-Kurdish armed groups of coordinating with Israel and launching attacks against Iran from Iraqi territory. In March 2022, Iran launched a ballistic missile targeting Israel's 'strategic center' in Erbil and another missile strike targeted bases of an exiled Iranian Kurdish opposition group in Sulimaniyah province in the Kurdish autonomous region. Shamkhani also signed another agreement that will allow to use Iranian funds that remain blocked in Iraq because of US sanctions to purchase basic goods and to settle payments owed by Iranian merchants to trade partners in Iraq. In the UAE, the two sides concluded an agreement to facilitate trade movement between the two countries using the Emirati currency, the Dirham.

Iran, Russia, and China conduct joint naval exercise in the Gulf of Oman

Naval forces from China, Iran and Russia staged [five-days of joint drills](#) "Security Bond-2023" in the Gulf of Oman. China's South Sea Fleet warship, the Nanning, Type 052D destroyer were dispatched to take part in the exercises. The Iranian light frigate Jamaran and the Russian frigate Admiral Gorshkov, which is armed with hypersonic missiles, also took part in the war games that included live-fire suppression and strike practise with night-time communication exercises. The navies also conducted anti-terrorism and anti-piracy training, including a simulated rescue mission of a hijacked merchant ship. Rear Admiral [Shahram Irani](#), Commander of the Iranian Navy noted that combating maritime terrorism is one of the primary objectives of the naval drill. This joint exercise is the third of its kind, following similar drills involving the Iranian, Chinese, and Russian navies in 2019 and 2022.