



MEI INDIA DIGEST

(Thematic survey of major current developments)

No. 11

Wednesday, 11 August 2010

India and UNSC Sanctions against Iran

By

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Growing international concerns over the Iranian nuclear programme led to the fourth round of sanctions by the United Nations Security Council. On 9 June 2010 the UNSC adopted Resolution 1929 by 12 to two votes with one abstention.¹ Of the five non-permanent members of the Council, Brazil and Turkey voted against the Resolution while Lebanon abstained. Russia and China which in the past expressed their reservations against sanctions joined the US and voted for the resolution.² Reacting to the UN vote Iranian President Mahmoud Ahmadinejad declared that Iran would postpone nuclear talks as a ‘penalty.’ He observed: ‘We are postponing the talks because of the bad behaviour and the adoption of the new resolution in the Security Council. This is a penalty, so that they (the world powers) are disciplined to learn the way of talking to other nations,’ Iran wants more countries to be involved in talks over its nuclear program, and at the same time, clarification on the status of Israel’s alleged nuclear arsenal by the ‘world powers.’³

The UN Secretary General, Ban Ki- Moon had discussed the Iran nuclear issue with European leaders during the G20 summit in Toronto, focusing on the need for continued dialogue and negotiation. Meanwhile, in the light of Resolution 1929, the US Congress had passed new sanctions which the US President Barack Obama signed into law. The new unilateral sanctions

¹ For the text of the Resolution see, <http://www.un.org/News/Press/docs/2010/sc9948.doc.htm>

² ‘G8 to put pressure on North Korea, Iran and Israel’, *The Hindu*, 26 June 2010, <http://www.thehindu.com/news/international/article487464.ece>

³ ‘UN discusses how to ‘implement Iran Sanctions’, *Hindustan Times*, 29 June 2010 <http://www.hindustantimes.com/UN-discusses-how-to-implement-Iran-sanctions/Article1-564650.aspx>

are aimed at preventing Iran's access to the import of refined oil products. This bill denies companies that supply Iran with refined petroleum products access to the US markets. On 12 July the US State Department Spokesman Phillip J. Crowley told reporters: 'This is about the danger of a nuclear arms race in the Middle East, which will affect countries outside of the region, including India... So everyone has a responsibility to do what each country can to convince Iran to change its present course.....I'll leave it to India to describe what steps it is going to take.'⁴ He also noted that, 'all countries have international obligations to fully respect and to heed the sanctions that were passed by the Security Council last month.'⁵

Responding to the new wave of sanctions by the Obama administration, on 5 July 2010 India's Foreign Secretary Nirupama Rao stated that, 'We are justifiably concerned that the extra-territorial nature of certain unilateral sanctions recently imposed by individual countries, with their restrictions on investment by third countries in Iran's energy sector, can have a direct and adverse impact on Indian companies... and more importantly, on our energy security and our attempts to meet the development needs of our people.'⁶ Reiterating India's support of 'dialogue and avoidance of confrontation,' she maintained that the peaceful use of nuclear energy within the framework of the Nuclear Non-Proliferation Treaty (NPT) was the right of all nations. India supports the right of all states to undertake peaceful uses of nuclear energy consistent with their international obligations, supporting dialogue and avoidance of confrontation. The IAEA, according to the Indian Foreign Secretary, is the best framework for addressing technical issues related to the Iranian nuclear programme.⁷ Ms. Rao has further stated that, 'I would today reiterate the need for structured, systematic and regular consultations with Iran on the situation in Afghanistan.' Insisting that India always advocated diplomacy to resolve the Iranian nuclear issue, she maintained that although India and Iran may have differences on one or the other issue, 'the areas of convergence far outweighed any differences' and called for building an enduring and pragmatic relationship.'⁸

Iran is become more importance for New Delhi not only because it had large energy reserves, but also because India expects its energy needs to grow by eight to ten per cent in the coming years. Iran, the nearest source, has the world's third largest proven oil reserves and second largest gas reserves. In her speech the Foreign Secretary identified maritime security as another potential

⁴ Narayan Laxman, 'US cautions India against 'business as usual' with Iran', *The Hindu*, 14 July 2010, <http://www.hindu.com/2010/07/14/stories/2010071455301800.htm>

⁵ 'Nuclear Arms Race in the Middle East will affect India, warns U.S.', *The Hindu*, 13 June 2010, <http://www.indiaivision.com/news/article/topnews/78029/>

⁶ Speech by Foreign Secretary at Institute for Defence Studies and Analysis (IDSA) - Institute for Political and International Studies (IPIS, Tehran) Strategic Dialogue on 'India and Iran: An Enduring Relationship.' For the text see: <http://meaindia.nic.in/speech/2010/07/05ss01.htm>

⁷ 'Iran sanctions may hit our energy security', *The Hindu*, 5 July 2010 <http://thehindu.com/news/national/article501500.ece>

⁸ 'India for 'structured' talks with Iran on Afghanistan', *Hindustan Times*, 5 July 2010, <http://www.hindustantimes.com/India-for-structured-talks-with-Iran-on-Afghanistan/Article1-567813.aspx>

area of cooperation and welcomed Iran's decision to join the Indian Navy's confidence building initiative, the third Indian Ocean Naval Symposium held on 1 March, 2010.

Iran is also crucial in resolving the Afghanistan issue. Ms. Rao hoped that the upcoming India-Iran Joint Commission meeting (which took place in June) would instil fresh momentum in the bilateral relations—especially the long-pending dialogue on energy and trade corridors in Central Asia and greater cooperation and information sharing on counter-terrorism.⁹

On the sidelines, Pakistan is going ahead with the gas pipeline project with Iran despite the US warning. Islamabad feels that the Comprehensive Iran Sanctions Accountability and Divestment Act, 2010¹⁰ does not impact the long-awaited pipeline venture that is crucial to the country's energy requirements. The pipeline will facilitate transfer of natural gas from Iran's biggest gas field in South Pars to Pakistan through Baluchistan.¹¹

ON 14 July the US National Security Adviser James Jones met with his Indian counterpart Shiv Shankar Menon in New Delhi and conveyed Washington's expectations about enforcing the sanctions approved by the UN Security Council. The 35-year-old Indo-Iranian shipping joint venture, *Iran-o-Hind*, has been placed under sanctions, which will affect transportation of crude oil from Iran to India. Menon reportedly conveyed to Jones New Delhi's objections and reservations with the recent US sanctions on Iran. Besides proposed investments in Iran's oil and gas fields by ONGC Videsh Limited and private firms, India is the third largest market of crude oil from Iran. Indian exports to Iran also include petroleum products, hence maintaining good relations with Tehran is a necessity for New Delhi.¹²

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Editor, MEI India Digest: P R Kumaraswamy

⁹ Sandeep Dikshit, 'Unilateral Sanctions on Iran will hurt India: Nirupama Rao', *The Hindu*, 6 July 2010, <http://thehindu.com/news/article501752.ece>

¹⁰ For the original document, see <http://thomas.loc.gov/cgi-bin/query/z?c111:H.R.2194>:

¹¹ Anita Joshua, 'Pakistan going ahead with Iran Pipeline', *The Hindu*, 9 July 2010, <http://www.google.co.in/search?sourceid=chrome&ie=UTF-8&q=Pakistan+going+ahead+with+Iran+Pipeline>

¹² Dipanjan Roy Chowdhury, 'US wants India to act on Iran Sanctions', *India Today*, 15 July 2010, <http://indiatoday.intoday.in/site/Story/105461/World/us-wants-india-to-act-on-iran-sanctions.html>