

Iran sees US actions not rhetoric as key to new talks

Washington terminated Iraq's sanctions waiver for purchasing electricity from Iran

ANALYSIS

Iran underscores that the criterion determining Tehran's path in reviving the Joint Comprehensive Plan of Action (JCPOA) and lifting sanctions will be the actions of the United States, rather than its seemingly conciliatory rhetoric. The recent US decision not to renew Iraq's sanctions waiver is perceived within Iran as another hostile act aimed solely at intensifying "maximum pressure" on Iran's economy.

The administration of US President Donald Trump has initiated stricter enforcement of sanctions against the Islamic Republic of Iran. Last Wednesday, hours before meeting Benjamin Netanyahu, the Prime Minister of the Israeli regime, in Washington, Trump signed an executive order directing government agencies to escalate the "maximum pressure" policy against Iran. During the signing, Trump expressed hope that using these sanctions would prove unnecessary and that both sides could reach an agreement.

Nearly a month after issuing the order, Trump continues to take contradictory stances towards Iran — fluctuating between expressing a willingness to negotiate and claiming to have sent a letter to Iran's Leader Ayatollah Seyyed Ali Khamenei while simultaneously intensifying maximum pressure. A US State Department spokesperson has stated that the Trump administration terminated Iraq's waiver to purchase electricity from Iran. The waiver, part of the "maximum pressure" campaign against Tehran, had allowed Iraq to procure a portion of its electricity from Iran. According to Reuters, the US official asserted that the Trump administration's policy is to deny Iran any degree of economic relief. The official claimed the goal of strict enforcement is to end Iran's alleged "nuclear threat," curb its ballistic missile program, and alter its regional policies.

Trump appears intent on achieving

results through "maximum pressure" during his second term — a policy he initially pursued by withdrawing from the nuclear deal, called the JCPOA. Tensions between the two sides have significantly worsened since Trump unilaterally withdrew from the nuclear deal in 2018. Following the withdrawal, the Trump administration launched a "maximum pressure" campaign aimed at crippling Iran's economy through severe sanctions targeting its oil exports, banking sector, and other critical industries. US officials openly admitted that the policy was designed to weaken Iran economically and politically. Trump's advisors argue that the first-term pressure strategy lacked sufficient time to yield outcomes. As Iran, in response to the US pressure policy, progressively reduced its compliance with JCPOA commitments while maintaining that its nuclear program remains peaceful, many officials from the previous Biden administration — contrary to his supporters — contend that US pressure failed to diminish Iran's nuclear capabilities and even enhanced their scope and sophistication. However, Trump's approach towards Iran has seen little substantive change over four years, with only minor stylistic adjustments. The new US administration aims to coerce Iran into negotiations using tools such as "imposing economic isolation, reducing Iran's oil exports to zero, and effectively blocking Iran's economic and trade relations with other countries."

Though Trump has repeatedly cited preventing Iran from acquiring nuclear weapons as his red line, his executive order signals openness to negotiating with Tehran on both nuclear and non-nuclear issues.

Many experts monitoring US-Iran relations remain uncertain about what alternative to a negotiated agreement Trump envisions. However, during a recent Fox Business interview, Trump hinted at his administration's roadmap: Iran must either agree to terms or face a "different alternative" — a statement some interpreted as an implicit threat of military action.

Hours after Trump's remarks, which included claims of having written to Iran's leaders and readiness for a deal, a White House National Security Council spokesperson echoed the adversarial tone, stating, As President Trump has made clear, Iran can be dealt with militarily or through agreement.

Domino effect of terminating waivers

The expiration of Iraq's energy waiver on March 8, marked another step in the US pressure campaign. The waiver, first granted in 2018 under Trump and extended under Biden, allowed Iraq to import Iranian energy while both administrations urged Baghdad to reduce reliance on Iran. A State Department spokesperson reiterated this demand, urging Iraq "to eliminate its dependence on Iranian sources of energy as

soon as possible" and labeling Iran an "unreliable energy supplier." Tommy Bruce, the spokesperson, added that the administration is reviewing all existing sanctions exemptions related to Iran.

Informed sources told Reuters that the US leveraged the waiver review to pressure Iraq into permitting Kurdish crude oil exports via Turkey — a move aimed at boosting global supply, stabilizing prices, and creating more space to curb Iranian oil exports. However, Iraq's negotiations with the semi-autonomous Kurdistan region over resuming oil exports remain fraught.

The 2011 National Defense Authorization Act (NDAA) imposed sanctions on Iran's Central Bank, though exemptions were granted to countries significantly reducing Iranian oil imports or when US national security interests prevailed. Iraq has long been vulnerable to disruptions in electricity imports from Iran (approximately 1.2 gigawatts) and gas imports enabling an additional 8.8 gigawatts of domestic power generation. When Trump reluctantly granted Iraq sanctions waivers during his first term, these imports accounted for 40% of Iraq's peak electricity production.

Just days before the revocation of Iraq's sanctions waiver, the Washington Institute published a report stating that Trump's recently signed executive order explicitly mandates that "the Secretary of State shall amend or revoke sanctions waivers, particularly those



A 3D-printed miniature model of US President Donald Trump and the Iran flag are seen in this illustration. **REUTERS**



Trump's return to the White House, coupled with stricter enforcement of maximum pressure — despite his occasional conciliatory rhetoric — has elicited a firm response from Iran. Tehran insists that US actions, not words, will dictate its approach to reviving the JCPOA and sanctions relief.



The sun sets behind the transmission lines of electric power from Iran to Iraq in Basra, Iraq, on July 29, 2021. **NABIL AL-JURANI/AP**



An Iraq flag close to an oil refinery near Basra in southern Iraq. **AFP**