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# What Iran gains from the recently signed deal with Saudi Arabia

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### *Introduction*

The peaceful settlement of conflicts between states with historically adversarial relationships, such as Iran and Saudi Arabia, usually yields positive outcomes for the stability of the broader region. These accords imply anticipated benefits for all parties involved, and sometimes they avoid further harms, but mutual concessions and compromises are required. The primary declaration of the [trilateral joint declaration](#) signed in Beijing on March 10, sought to reinstate the Saudi-Iranian Security Cooperation Agreement of April 2001, which was signed during President Mohammad Khatami's tenure, following the Islamic Summit in Tehran (1997) and subsequent bilateral dialogues and state visits in 1998 and 2000.

That agreement was sanctioned by the Iranian Majlis and the Guardian Council and subsequently passed into law, following its publication in the [Official Gazette](#) on August 20, 2001. Based on the principles of mutual non-interference in each other's internal affairs, as well as respect for their national sovereignty and territorial integrity, both states have agreed to collaborate on essential security-related issues. These included combatting

organized crime and terrorism, fighting against the trafficking of arms and drugs, preventing the smuggling of goods and cultural heritage, and exchanging information and training on crime prevention. The agreement did not explicitly mention Iraq and Afghanistan, which were still under the previous Baath and Taliban regimes at that time; however, there were conversations about their future that underscore the significant regional concerns for both actors and the necessary compromises that both parties had to make to reach this agreement. Nonetheless, the agreement was never implemented, despite the existence of a joint committee, at least until 2008. Therefore, its implementation was the primary objective of the present trilateral declaration. It is noteworthy that the current agreement was signed by Ali Shamkhani, Secretary of the Supreme National Security Council on behalf of the Iranian side, yet it stipulates that the responsibility for implementation would lie with the Foreign Ministers, in contrast to the Interior Ministers who were responsible for the signing and implementation of the original text in 2001. The signing of the deal by Ali Shamkhani instead of Foreign Minister

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Hossein Amir-Abdollahian, does not necessarily indicate disagreements within Iranian politics about the issue. Instead, it highlights the complex internal dynamics that exist in conservative factional competition.

While the recent deal represents a significant development in bilateral relations and a step forward in achieving regional stability, it is important not to overstate its significance. The agreement does not constitute a new deal but rather a commitment to return to a previously agreed status quo established in 2001. Accordingly, if finally implemented following the reestablishment of diplomatic ties, both actors would profit from this détente, enabling the reorientation of resources previously allocated to containing adversaries in various regional scenarios that challenged their foreign policy interests and objectives.

#### *Iranian reasons and gains*

Iran's reasons for signing the agreement, as well as its objectives and expected gains, can be understood as an effort to end years of regional isolationism imposed by Saudi Arabia and other regional states, predominantly since 2016, as well as the dangerous polarization that manifested between rival camps. This particular aspect appears to be materializing sooner than anticipated. Dialogue involving low ranking officials from [Bahrain](#) and Iran have already commenced, owing to the

Saudi-Iran agreement. Furthermore, both Iranian and Bahraini authorities have expressed their intentions, which have been echoed by local media outlets. In a similar vein, [Egypt](#) has initiated a process of reconciliation with Iran, implementing measures that ease visa requirements for Iranian visitors. It is worth noting that improvement of relations between the two nations were previously only observed during Mohammad Morsi's tenure as Egyptian President.

Additionally, Iran aims to mitigate external or internal threats that may undermine the stability and continuity of the Islamic Republic. It is crucial to acknowledge that the presence of ISIS in Iraq and Syria, along with other terrorist groups within Iranian territory contributing to internal and border insecurity, has been linked to funding and encouragement from some Arab neighboring states. In this context, the agreement highlights Iran's successful deterrence capabilities vis-à-vis its neighbors. This follows several unclarified incidents in the Gulf waters in 2019 and 2020 that demonstrated the United States' reluctance to engage in large-scale retaliatory operations, despite being considered the security guarantor of the GCC states. Additionally, it underscores the unpreparedness of Saudi Arabia and other GCC states' defense systems to confront low-tech threats to their oil facilities and supply routes, even with their state-of-the-art anti-missile

defense systems. The fact that negotiations for this agreement began during President Rouhani's tenure and coincided with the [Hormuz Peace Initiative](#) (HOPE) launched by his administration highlights the continuity of Iran's efforts to achieve a long-term security agreement with all GCC states, aimed at deterring external threats. The HOPE initiative presented an action plan to establish a new regional security framework, which included confidence-building measures, the establishment of a WMD-free zone in the Gulf, and cooperation on energy security. Although the revival of the 2001 security agreement may not fundamentally alter Iran's relationships with Saudi Arabia and other GCC states, it could potentially pave the way for more stable bilateral relations, facilitating negotiated solutions to the Yemen conflict and Syria's reintegration into the Arab State regional system. Numerous [indications](#) were already apparent in the Yemeni context prior to the signing of the Saudi-Iranian agreement, and now similar signs have emerged within the Syrian situation as well. It has been [reported](#) that security officials from Saudi Arabia and Syria convened recently with the objective of reestablishing diplomatic ties in the near future. Although some analysts perceive this development as diminishing Iran's influence over Syria, it appears that Iran may also claim a diplomatic accomplishment by bringing an end to Syria's isolation from the rest of the Arab world. In doing so, they may

lessen the hostility directed towards Iran's presence in the Levant region.

Moreover, the agreement may lead to broader engagement between Iran and Saudi Arabia within international organizations to promote cooperation rather than competition. In 2022, both states expressed interest in joining the BRICS states, and Saudi Arabia recently [announced](#) its decision to join the Shanghai Cooperation Organization, which Iran joined last year. China has openly supported the inclusion of both actors, which points to Beijing's interest in maintaining cordiality among two of its main energy providers. Saudi and Iranian membership in both organizations will definitively expand the areas for bilateral cooperation faster than was originally expected.

Although Iran established strategic partnerships with China, India, South Korea, and Japan after the signing of the Joint Comprehensive Plan of Action (JCPOA), these partnerships have not resulted in the expected investments, particularly in Iran's heavily-sanctioned oil and gas industry. With the JCPOA at a stalemate and no significant improvement in commercial ties with Western states, it appears logical for Iran to seek closer economic ties with neighboring countries. The establishment of stronger commercial and economic relationships in the region can lead to enhanced security and reduced likelihood of conflict. Thus, providing a politically stable

environment and a secure legal framework for Saudi and Emirati investments could be a significant incentive for Iran to revive its economy. The statements made by Saudi Finance Minister Mohammed Al-Jadaan expressing his country's interest in investing in Iran shortly after the agreement was signed is an indication of the potential for investment. Furthermore, the rapid progression of Emirati investments in Iran after the normalization of relations in 2022 highlights the potential success of such investments.

### *Conclusion*

The recent agreement is a significant gain for Iran given under present circumstances, and it appears to be supported by the entire political spectrum, which agrees on the necessity of a peaceful settlement with Saudi Arabia to bring stability to the region and to redirect scarce Iranian resources towards addressing pressing internal economic grievances. The durability of the deal, however, does not depend entirely on Iranian compliance, but on many factors and actors –from inside and outside the region- that can act as spoilers of the deal. Needless to say, perceptions will play, as usual, a fundamental role in determining the compliance with the primary term of the deal, which refers to “the respect for the sovereignty of states and the non-interference in internal affairs of states.”

### **About the author**

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