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AN ANALYTICAL ASSESSMENT OF THE AGREEMENT BETWEEN THE ISLAMIC REPUBLIC OF IRAN AND THE UNITED STATES OF AMERICA



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Center for Strategic and Regional Studies (CSRS)



AN ANALYTICAL ASSESSMENT OF THE AGREEMENT BETWEEN THE ISLAMIC REPUBLIC OF IRAN AND THE UNITED STATES OF AMERICA

Introduction

The agreement signed between the United States and Iran consists of fourteen articles that establish a framework for future negotiations between the two countries. This agreement was signed on June 17, 2026, by the President of the United States, Donald Trump, and the President of Iran, Masoud Pezeshkian, on Wednesday, effectively bringing an end to the three-month conflict between the two nations.

President Trump signed the agreement on the sidelines of the Group of Seven (G7) summit in France. His objective in doing so was to formalize the agreement in the presence of major global and European powers, thereby demonstrating to the international community that he is a peacemaker and an architect of peace.

The agreement includes a 60-day ceasefire, which also encompasses Lebanon, and is intended to create conditions conducive to achieving a permanent settlement. In other words, detailed negotiations concerning Iran's nuclear and missile programs remain pending, and this agreement serves as a platform for broader and more comprehensive discussions in these areas.

This analysis is written to address the following key questions: Can this agreement bring a lasting end to the conflict between Iran and the United States? Which party stands to benefit more from the agreement? And what specific issues have been discussed and agreed upon within its framework?

CONTENT OF THE AGREEMENT

The United States of America and Iran have reached agreements on the following issues:

1- Ceasefire and the Lebanon Issue: The first and most significant point of agreement is the cessation of hostilities across all fronts between the two countries. Within this agreement, Iran has incorporated Lebanon and has secured U.S. acceptance that the conflict in Lebanon must also come to an end, making the country an integral part of the ceasefire arrangement. Both parties have agreed to refrain from the use of force and to respect each other's territorial integrity and national sovereignty, including with respect to Lebanon.

The inclusion of Lebanon is of particular importance given that Israel had repeatedly targeted the country even during previous ceasefires. Moreover, Israel has reportedly sought to maintain a long-term presence in certain parts of Lebanon by establishing buffer zones or security belts. In this context, Iran has sought to bind the United States to a commitment to Lebanon's territorial integrity, thereby aiming to neutralize Israel's objective of creating such buffer zones within Lebanese territory.

Although Israel is not explicitly mentioned in the agreement and is not legally bound by its provisions, Iran assumes that the United States, as a global power, possesses the capacity to exert pressure on Israel and persuade it to cease hostilities in Lebanon. This assumption is grounded in the view that



Israel would be unable to sustain its military engagement with Iran without U.S. cooperation and defensive support and would therefore be compelled to align with Washington's directives.

2. National Sovereignty, Territorial Integrity, and Non-Interference in Internal Affairs: Another key provision agreed upon in the treaty is the United States' commitment to respect Iran's national sovereignty and territorial integrity and to refrain from interference in its internal affairs. Through this clause, Iran seeks to curtail any U.S. efforts aimed at regime change.

Under this agreement, the United States is prohibited from supporting internal protesters, orchestrating plans to alter Iran's political system, or attempting to bring any part of Iranian territory under its control.

3. Interim Nature of the Agreement: The text of the agreement suggests that it is provisional in nature and is intended to pave the way for a long-term settlement.

According to the document, both parties have committed to engaging in negotiations on fundamental and substantive issues within a period of 60 days, with the aim of reaching a final agreement. This period may be extended by mutual consent. For Iran, this arrangement provides an opportunity to work toward a comprehensive understanding and to define its final position regarding potential limitations on its nuclear and missile programs. During this period, Iran can also closely monitor the reactions and actions of Israel.

Conversely, the United States is afforded the opportunity to alleviate, to some extent, the pressures associated with the ongoing conflict, manage domestic political constraints, and formulate a coherent strategy for achieving a final settlement.

4. Reopening of the Strait of Hormuz and Freedom of Maritime Navigation: Iran and the United States have also agreed that the United States will terminate its naval blockade of Iran. In return, Iran will utilize all available means to ensure the safe passage of commercial vessels between the Persian Gulf and the Gulf of Oman for a period of 60 days, without imposing any transit fees.

Commercial maritime traffic is expected to resume immediately and, following the removal of technical and military obstacles and the completion of mine-clearing operations, is projected to return fully to normal conditions within 30 days.

Furthermore, Iran will enter into consultations with the Sultanate of Oman to determine the future administration of the Strait of Hormuz and its maritime services. These decisions will be made in coordination with other littoral states of the Persian Gulf and in accordance with international law and the sovereign rights of coastal states.

The reopening of the Strait of Hormuz and the normalization of shipping routes constitute a matter of critical importance for the global economy. Approximately one-fifth of the world's oil and gas transits through this strategic waterway, and the restoration of normal conditions is likely to result in a decline in global energy prices. A clear example of this impact can be observed in Pakistan, where the prices of petrol and diesel decreased significantly following the signing of the agreement.



5. Reconstruction of Iran and the Lifting of Sanctions: Under this agreement, the United States has committed to developing, in cooperation with its regional partners, a practical reconstruction and economic development plan for Iran valued at approximately \$300 billion. This amount is framed as compensation for war-related damages, meaning that Iran has demanded that the United States finance the reconstruction and rehabilitation of infrastructure and assets damaged during the conflict.

Three key points should be noted in this regard:

First, this provision is likely to constitute part of the final agreement. That is, until a comprehensive settlement is reached between Iran and the United States on contentious issues—including the nuclear program, missile development, and other disputes—there remains a possibility that these funds will not be disbursed.

Second, it is anticipated that these financial resources may be mobilized from a combination of sources, including Arab states, U.S. private sector companies, and international investors.

Third, in addition to the reconstruction package, it has been agreed that the United States will lift restrictions that currently impede investment by American and European companies in Iran. In other words, following the conclusion of a final agreement, investors from around the world would be able to engage in economic activities and investments within Iran.

Moreover, the United States has agreed to lift all sanctions imposed on Iran, including those mandated by United Nations Security Council resolutions, resolutions of the Board of Governors of the International Atomic Energy Agency (IAEA), and all primary and secondary unilateral sanctions imposed by the United States.

The United States has also committed that, until the full removal of sanctions is completed, its Department of the Treasury will provide the necessary waivers to facilitate Iran's export of crude oil and petroleum products, as well as to enable banking, insurance, transportation, and other related services.

Accordingly, Iran would be in a position to immediately reactivate its oil-based and export-oriented economy. These waivers are not limited to crude oil exports but extend to all associated sectors, including financial systems, insurance, and transport services.

Prior to this development, Iran's oil sector had been subject to intense pressure, and even before the escalation of the naval blockade, economic difficulties had triggered widespread protests across the country, thereby increasing pressure on the political system under Iran's religious leadership.

Furthermore, the United States has pledged to fully release all frozen Iranian assets. The mechanisms for the release of these funds will be determined through ongoing negotiations between the two parties. These assets—whether still held in their original accounts or transferred to other locations—will be made accessible to rightful Iranian entities through the Central Bank of Iran, with the United States issuing all necessary authorizations and approvals. According to a Bloomberg report, the total value of Iran's frozen assets is estimated to range between \$24 billion and \$100 billion.



6. Provisions on Nuclear Weapons and Enriched Uranium: According to Article Eight of the signed agreement, Iran has committed neither to produce nor to acquire nuclear weapons. Furthermore, the management of its stockpiles of enriched uranium is to be addressed through a mutually acceptable mechanism to be established in the course of the final agreement.

It is noteworthy that Iran had previously undertaken a similar commitment under the 2015 agreement concluded during the presidency of Barack Obama, pledging not to develop nuclear weapons. However, based on reports by the International Atomic Energy Agency (IAEA), the United States determined that Iran had increased its uranium enrichment level to 60 percent—an action viewed by Washington as inconsistent with the earlier agreement, which ultimately led President Trump to withdraw from it. Iran has now renewed its commitment not to pursue nuclear weapons, although this pledge has generated internal debate and opposition within the country.

While a definitive decision regarding existing stocks of enriched uranium will be made in the future, analysts suggest that the parties have reached a preliminary understanding whereby excess reserves would be diluted or neutralized in situ under the supervision of IAEA representatives.

7. Conditions for the Final Agreement and Implementation Mechanism: The agreement stipulates that negotiations toward a final settlement will not commence until specific provisions—namely Articles 1, 4, 5, 10, and 11—have been implemented. These provisions include the establishment of a ceasefire, the termination of the U.S. naval blockade of Iran, the reopening of the Strait of Hormuz by Iran, the issuance of oil export waivers, and the release of Iran’s frozen assets. In addition, a dedicated implementation mechanism will be established to oversee both the execution of this interim agreement and the eventual final accord.

It had initially been anticipated that Iranian and U.S. delegations would begin negotiations in Switzerland, with the Vice President of the United States also expected to participate. However, Iran canceled its participation and did not travel to Switzerland for the talks. Some analysts suggest that this decision was influenced by the failure to fully implement the ceasefire provisions and the continuation of Israeli military actions in Lebanon.

Nonetheless, Pakistan’s Foreign Minister, Ishaq Dar, had indicated that the Iranian delegation’s absence was due to their participation in Muharram observances. Subsequent developments, however, suggest that the delay cannot be attributed solely to these religious observances, as the Iranian delegation eventually traveled to Switzerland while Muharram events were still ongoing. Consequently, it is more plausible that the primary cause of the delay was linked to the situation in Lebanon—an issue on which Iran has accused the United States of failing to uphold its commitments under the agreement.

The final agreement or treaty is expected to be formally endorsed through a resolution of the United Nations Security Council.



WHICH PARTY BENEFITS MORE FROM THE AGREEMENT?

In response to this question, it can be argued that the text of the agreement suggests that Iran holds a comparatively advantageous position. The concessions obtained by Iran appear to outweigh those secured by the United States. During the conflict, President Trump had effectively enforced a closure of the Strait of Hormuz; however, within the framework of this agreement, the United States is now granting significant concessions to Iran in exchange for the reopening of the same strategic waterway. This development indicates that Iran has derived greater benefit from the arrangement.

A second key issue concerns Iran's commitment not to produce nuclear weapons. Iran had previously undertaken the same obligation under the 2015 agreement during the Obama administration and had even allowed extensive monitoring by inspectors from the International Atomic Energy Agency (IAEA). Consequently, the United States has not obtained a fundamentally new concession in this regard. By contrast, Iran has secured substantial gains, including:

- The lifting of sanctions;
- Access to significant reconstruction assistance;
- The release of frozen financial assets;
- The enhancement of its regional standing as a major power in the Middle East;
- The creation of a temporary divergence between the United States and Israel;
- And a range of additional political and economic advantages.

CAN THIS AGREEMENT LEAD TO SUSTAINABLE PEACE?

Achieving a permanent agreement appears to be challenging. Iran is likely to maintain its core positions, and if the United States deviates from the provisions of the initial agreement, Iran may likewise consider itself no longer bound by its commitments and could seek avenues to withdraw from the arrangement.

With regard to Lebanon, despite existing differences between the United States and Israel, there remains the possibility that Israel may not withdraw from occupied areas or may fail to cease hostilities altogether. Such actions would constitute a violation of the agreement's provisions and could pose a significant obstacle to the realization of a final settlement. In turn, this situation may not only hinder the prospects for durable peace but also create conditions conducive to the resumption of conflict.

FUTURE SCENARIOS

It can be argued that this agreement is highly complex and was concluded under considerable pressure and in a relatively expedited manner. Certain U.S. officials, as well as segments of American public opinion, have expressed dissatisfaction with the agreement. Moreover, Israel does not perceive the agreement as serving its interests and has conveyed its concerns to the United States.



Given the perceived significance of Jewish political and economic influence within the United States, the future trajectory of this agreement remains uncertain. In this context, three principal scenarios may be outlined:

Scenario One: The agreement is fully implemented, ultimately leading to the conclusion of a comprehensive and permanent settlement. The likelihood of this scenario appears limited, for the reasons discussed earlier.

Scenario Two: The current agreement collapses, negotiations toward a final settlement fail, and hostilities resume. This scenario appears more plausible than the first; however, its probability remains relatively low, as neither Iran seeks to re-enter into conflict nor does the United States appear willing to engage in another war.

Scenario Three: Negotiations toward a final agreement succeed, but modifications are introduced to the provisions of the current arrangement. This scenario appears to be the most realistic and carries the highest probability of materialization.

CONCLUSION

The agreement signed between Iran and the United States in 2026 can be assessed as a provisional framework aimed at halting the three-month conflict between the two countries and creating the conditions for a longer-term settlement. The agreement establishes the necessary groundwork for a ceasefire, the reopening of the Strait of Hormuz, the reduction of economic pressures on Iran, the release of frozen assets, and the initiation of future negotiations concerning Iran's nuclear program.

At the same time, Iran has once again committed not to develop nuclear weapons; however, final decisions regarding enriched uranium stockpiles, the missile program, and other sensitive issues have been deferred to future negotiations. Through this agreement, Iran has secured considerable concessions, and it appears that the arrangement is comparatively advantageous to Iran. Notably, Iran has succeeded in preventing the destabilization of its political system and in averting extensive destruction and damage.

An examination of the agreement and its initial concessions indicates that Iran has achieved significant political and economic gains, while the United States has primarily sought to contain the escalation of conflict and preserve regional stability. Nevertheless, the long-standing history of mutual distrust between the two countries, disagreements related to Israel and Lebanon, the complexity of nuclear and missile issues, and potential obstacles in implementing the agreement's provisions all constitute serious challenges to the realization of sustainable peace and a final settlement.

Accordingly, the current agreement cannot be regarded as a definitive solution to the disputes between the two parties; rather, it should be understood as an opportunity to reduce tensions and to facilitate the continuation of diplomatic engagement. The ultimate success of the agreement will



depend largely on the extent to which both parties adhere to their commitments, the behavior of regional actors, and the degree of mutual trust that can be established.

One notable consequence of the agreement has been the emergence of certain tensions between Israel and the United States, particularly in relation to the issue of Lebanon. The development of a relative divergence between these two key actors may be considered a significant outcome of the agreement. Furthermore, the provisions of the agreement are highly complex and appear difficult to implement in full. As such, the possibility of partial non-compliance cannot be ruled out. Should such a situation arise, it would complicate the prospects for achieving a final agreement and could even lead to renewed confrontation and conflict between the parties.

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