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Iran

Digest

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- **Iran blames Israel for Killing of the IRGC Officer**
- **Iranian Army Unveils an Underground Drone Facility**
- **Raisi visits Oman amid stalled nuclear talks**
- **Iran's Leader receives Emir of Qatar, emphasises on regional dialogue**
- **Iran hosts Tajik President, boosts bilateral defence and economic cooperation**
- **Raisi government introduces major reforms in the subsidy system**



Iran blames Israel for killing of the IRGC officer

On 22 May, Hassan Sayyad Khodaei, an officer of Iran's Islamic Revolutionary Guard Corps (IRGC), who served in operations in Syria, was killed outside his home in Tehran. Later on Hossein Salami, Commander of the IRGC blamed Israel for the killing and declared that Iran will avenge the killing. While Israel has assassinated six Iranian nuclear scientists from 2010 to 2020, killing of an IRGC is widely seen as aimed at making it harder for Iran to compromise on its demand of removing the IRGC from the US State Department's list of designated 'Foreign Terrorist Organisation' (FTO), a key hurdle in the ongoing talks to revive the 2015 Iran nuclear deal. However, Iran's foreign minister Hossein Amir-Abdollahian in his remarks at World Economic Forum, Davos on 26 May, noted that the IRGC blacklisting was a secondary issue, which has been "[magnified by pro-Israeli lobbies](#)" in Washington. While calling the Biden administration 'indecisive' in talks and continuing with his predecessor's 'maximum pressure' policy, Abdollahian stated that Iran still considers removal of Western economic sanctions as a key stumbling block in the Vienna talks.

Iranian Army unveils an underground drone facility

Chief of Staff of the Iranian Armed Forces Major General Mohammad Hossein Bagheri and Army Commander-in-chief Major General Seyed Abdolrahim Mousavi unveiled an army-owned [subterranean base](#) for housing Unmanned Aerial Vehicles (UAVs). Elaborating on Iran's drone capabilities, the Army Chief noted that "a variety of drones are currently conducting missions in the armed forces, including the army. From the smallest drones to the largest, which is named 'Kaman 22', each of these drones have a

variety of missions. For local, tactical and strategic missions, we need a variety of reconnaissance, combat, destroying, scramble, and other types of drones that can perform the missions." Earlier, an Iranian lawmaker [Mohammad Hassan Asfari](#) argued that the US sanctions imposed on Iran's UAVs program in October 2021 were aimed at squeezing concessions from Iran in Vienna nuclear talks. He further stated that Iran's drone capabilities are non-negotiable.

Raisi visits Oman amid stalled nuclear talks

On 23 May, President Ebrahim Raisi made a one-day trip to Oman at the [official invitation](#) of Sultan of Oman Haitham bin Tarik Al-Said. It was second such visit by Raisi to Iran's Gulf neighbours. Earlier, he had attended a major summit of gas exporting countries in Qatar in February 2022. The timing of Raisi's visit is significant as the year-long negotiations to revive the Iran nuclear deal remain stalled. Crucially, in 2013, Oman had facilitated a Washington-Tehran back-channel dialogue, which culminated in the November 2013 interim agreement. The visit focused on economic and trade relations, as Iran's minister of road and urban development, [Rostam Qasemi](#), and a delegation of 50 businesspeople also accompanied the president. The two countries signed 12 MoUs in the fields of oil and gas, transport, education, trade and investment. A few days before Raisi's visit, Iranian [Petroleum Minister Jawad Owji](#) has travelled to Oman and signed an agreement to revive US\$60 billion under-sea gas pipeline from Iran to Oman's Musandam peninsula. The deal for the pipeline was first signed in 2013, it was put on hold following price disagreements and sanctions following US withdrawal from Iran nuclear agreement.

Iran's Supreme Leader receives Emir of Qatar, emphasises on regional dialogue

The Emir of Qatar, Sheikh Tamim bin Hamad Al-Thani, visited Iran on 12 May and held consultations on regional security issues and Iran's nuclear negotiations. Supreme Leader Ayatollah Khamenei hosted the Emir for a meeting, in which both leaders concurred that regional issues must be resolved through dialogue. Khamenei, while arguing that conflict in [Yemen and Syria](#) can be resolved through dialogue, noted "that dialogue can't be from a position of weakness while other sides, mainly the US and also others, are dependent on military and financial power." The discussions between President Raisi and Sheikh Tamim also centred on regional peace and security. Underlining the importance of resolving regional issues, Raisi said, "Iran and Qatar stressed that the [intervention of foreign and Western countries](#) in the region will be detrimental to regional security." On 20 May, reports citing Qatari foreign minister Mohammed bin Abdul Rahman Al-Thani's account of Qatari Emir's meeting with Iran's Supreme Leader claimed that Iran was open to compromise on the nuclear file. However, Iran's foreign ministry spokesperson [rejected the claims](#), and clarified that matters were under review.

Iran hosts Tajik President, boosts bilateral defence and economic cooperation

President Raisi met and held talks with his Tajik counterpart Emomali Rahmon in Tehran on 30 May. Raisi hailed the visit, which came at Iran's official invitation extended during Raisi's visit to Dushanbe SCO Summit in September 2021, a "[turning point](#) in strengthening and deepening relations between the two countries". Raisi cited instability in Afghanistan, the fight against extremism, terrorism and organised crime as common concerns between Iran

and Tajikistan. At a joint press-conference, Rahmon stressed the need to develop infrastructure and connect the transport networks of the two countries in order to expand trade and economic cooperation. Particularly, he showed interest in access to Iranian ports of [Chabahar and Bandar Abbas](#). Analysts argue that despite its 477 km border with China, Tajikistan's highly difficult mountainous terrain relegates it to routes heading south. Earlier in the month, Chief of Staff of the Iranian Armed Forces Major General Bagheri, during a visit to Dushanbe had launched the first [production line for the Ababil-2](#) strike and reconnaissance drone in Dushanbe, heralding the development as a new era of defence cooperation between the two countries.

Raisi government introduces major reforms in the subsidy system

On 12 May, President Raisi in a late-night televised interview stated that his government was gradually [transforming a subsidies system](#) introduced by his predecessor to stabilise prices in the face of sanctions, but that mostly ended up breeding sanctions. Since 2018, under a multi-layered foreign exchange regime, the Central Bank of Iran had been providing Iranian importers allocations of hard currency below market exchange rate. This policy indirectly subsidised the purchase of wheat and a few other foodstuffs by the importers. The move to phase out artificial currency rate was also aimed at controlling budgetary waste. In recent years, the Iranian government has annually spent around [US\\$12 billion in hard currency](#) on a subsidised basis. However, to compensate for the drastic rise of price of bread, the government has promised to pay monthly around 4 million rials (about US\$15) to 30 percent of the population at the lowest-income groups, and around 3 million rials to 60 percent of the population, leaving out only 10 percent highest level income group.