### MIDDLE EAST SECURITY REPORT 12

# IRANIAN NAVAL AND MARITIME STRATEGY





Cover Photo: A starboard beam view of Iranian Alvand class frigate underway. (Photo: Wikimedia Commons)

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CHRISTOPHER HARMER

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#### **ABOUT THE AUTHOR**

Christopher Harmer is a Senior Naval Analyst with the Middle East Security Project. He wrote the ISW Fact Sheet "Iran's Submarine Force," which addresses recent industrial developments in Iran that have increased the readiness and lethality of the Iranian submarine force.

Prior to joining ISW, Harmer served for twenty years as a career officer in the U.S. Navy. Among his various postings, he served as the Deputy Director of Future Operations at the U.S. Navy Fifth Fleet in Manama, Bahrain from February 2008 to May 2009.

Harmer graduated from the United States Naval Academy with a Bachelor's degree in History. He received his Master of Arts in International Relations from Troy University and has also studied at the U.S. Naval War College and the Johns Hopkins University, School of Advanced International Studies.

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### **EXECUTIVE SUMMARY**

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The Iranian regime has among its strategic objectives expanding its power in the Middle East and rolling back U.S. influence in the region. Iranian leadership considers the Persian Gulf and much of Central Asia to be a "near abroad" where Iranian culture and interests should have significant influence. Recent developments confirm that Iran is committed to this ambition, has a strategy to realize this outcome, and is making significant progress towards it. Iran also clearly has ambitions to be a significant and relevant actor on the global stage, whose capabilities and intentions must be taken into consideration by superpower nations.

Iran's maritime forces, the Islamic Republic of Iran Navy (IRIN) and the Islamic Revolutionary Guards Corps Navy (IRGCN), as well as its commercial shipping fleet, the Islamic Republic of Iran Shipping Lines (IRISL), are being used in specific, definable ways to further Iran's strategic objectives. In the recent past, Iran has decreased the size, scope, and geographic reach of several of its maritime exercises. Considered in isolation, a reduction in maritime exercises might appear to be evidence that Iran's maritime capability is in decline, or that it does not have adequate resources to execute maritime operations in support of its strategic objectives.

A holistic view of the evidence, however, reveals that at the same time Iran has reduced the size, scope and reach of its local maritime exercises, it has also taken three distinct actions that reflect its broad, strategic ambitions. First, Iran has reprioritized some of its local maritime exercises towards solidifying or expanding territorial claims in the Persian Gulf, Strait of Hormuz, and Caspian Sea. Second, IRIN has significantly increased its long-range deployments in support of strategic relationships with key partners. Third, at the same time that IRISL is being used to support Iranian objectives logistically, IRIN may also be conducting similar operations. Taken as a whole, these three trends indicate Iran is modifying and expanding its maritime activities in support of strategic objectives.

Iran has physical control over the Persian Gulf islands of Abu Musa, Greater Tunb, and Lesser Tunb. These islands are strategically located just outside the Strait of Hormuz, in the Persian Gulf. Although the United Arab Emirates (UAE) claims legal ownership of the islands, the physical possession of the islands is not in dispute — Iran has military garrisons and commercial ventures in place on each of these islands. By conducting short range exercises that highlight control over the disputed islands, Iran hopes to solidify its legal claim to the islands, as well as highlight its military capability to potential enemies. Iranian claims to the disputed islands also factor into legal claims that it should control access to the Strait of Hormuz.

In a similar vein, Iran has used the IRIN to increase its territorial claims in the Caspian Sea. Iran has a standing, internationally recognized claim to 12% of the Caspian Sea; Iran claims that it is actually due 20% of the Caspian Sea. In 2012, Iran launched the destroyer Jamaran-2 in the Caspian Sea, and also conducted a maritime minelaying and minesweeping exercise. This ship and the exercises are clearly designed to increase Iranian territorial claims to the mineral-rich Caspian Sea and the lucrative caviar fisheries there.

Iran has an existing relationship with China that extends far behind the commercial aspect of China importing Iranian oil. China has exported significant military equipment to Iran, and provided key enabling technologies to the Iranian military industrial complex. IRIN deployments to China serve to solidify that existing relationship and expand it. By conducting long-range deployments to the Pacific, IRIN validates that it is a capable, reliable partner that China can trust.

Iran and Russia are partners in supporting the Assad regime in Syria, and they have common interests in the Caspian Sea and Caucasus region. At the same time IRIN is conducting long range deployments to the Pacific and solidifying Iran's relationship with China, IRIN is increasing support to Russian Navy ships on long deployments. IRIN has made its base at Bandar Abbas available to the Russian Navy as a friendly and secure port where Russian Navy ships can refuel, resupply, and make repairs. This practice makes Russian Navy deployments from their Pacific Fleet homeport of Vladivostok to the Russian Navy Base at Tartus, Syria far more sustainable.

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Sudan and Iran partner in the conveyance of Iranian military equipment bound for Iranian proxies or customers in the Mediterranean. The majority of weapons transfer from Iran to the Mediterranean takes place via smugglers, who use small, privately owned dhows to convey weapons and ammunition from Iran to the Sudan coast on the Red Sea, and from there via overland transfer to the Mediterranean. IRIN has been conducting recurrent port calls to Port Sudan that serve to strengthen the relationship between Iran and Sudan. These port calls may also be used to transfer weapons, ammunition, and other supplies directly from Iran to Sudan and vice versa.

Along with conducting long-range deployments in service of the strategic relationships with China and Russia, the Iranian regime may be using IRIN to conduct logistical transfers of high value military items or cash transfers between Chinese oil purchasers and Iran. It is clear that the Iranian regime uses IRISL to conduct logistics transfers of lower value supplies both to and from Iran. Given that most recent long range IRIN deployments had a heavy cargo ship as part of the deployment, it is possible that the Iranian regime is now using IRIN for a similar purpose.

The totality of evidence indicates that Iranian maritime activity in support of the Iranian strategic objective of regional power and influence is evolving and expanding, not contracting. The Iranian regime is not in decline, and it is not a state that is isolated from the international community. Iranian strategic ambition is expanding, and the Iranian regime is using its maritime entities, namely, IRIN, IRGCN, and IRISL, to realize that strategic ambition.

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### IRANIAN NAVALAND MARITIME STRATEGY

By Christopher Harmer

Recent Iranian military exercises, deployments, and strategic engagements at sea indicate that international economic sanctions levied against Iran have not degraded the regime's ability to procure existing lines of weapons, maintain military readiness through training and exercises, and engage in strategic partnerships. In fact, long range Iranian naval activity has expanded over the course of the last 18 months. This expansion has occurred simultaneously with the continued development of Iran's nuclear program as well as Iran's increasingly direct involvement in Syria. This paper explores the question of how and why Iran has prioritized its long range naval activities.

Broadly speaking, there are two possible explanations for Iran's expansion from localized naval activity in and around the Persian Gulf to long-range deployed naval activity over the last 18 months. First, Iran has significant strategic relationships with Russia, China, Sudan, and Syria. It is possible that Iran has prioritized its conduct of long range deployments in service of these strategic relationships. Conducting port calls with Iranian military vessels in China, Sudan, and Syria, and providing permissive port calls in Iran for Russian Navy ships on deployment strengthens these existing relationships and may serve as a foundation for expanded cooperation.

Second, Iran could be using its navy to function as a transportation network for high value material and components. It appears that the Iranian Navy may be involved in the transportation of sensitive cargo, possibly to deliver weapons to proxies or to receive materiel support from strategic partners. This possibility is supported by the shift in naval activity from high-intensity live fire exercises in home waters during 2011 to extended maritime deployments in 2012-2013, specifically to China, Sri Lanka, and Sudan.

This report will describe recent trends in Iranian naval exercises, deployments, and significant shipping activity in 2012-2013. It will examine Iranian and international news sources and interpret Iranian messaging about these events. It will evaluate the significance of Iran's naval activities through three lenses: Iranian naval readiness, Iranian strategic partnerships at sea, and potential for Iranian logistics at sea. This report will conclude with an assessment of the significance of these activities in the present context of Iranian strategic objectives worldwide.

The Impact of Sanctions on Iranian Military Capacity

The current round of legislative sanctions, combined with additional executive and administrative sanctions from the U.S. Treasury Department, plus an assortment of sanctions from the European Union (EU) have had a significant cumulative impact on the Iranian oil industry and domestic economy. Iranian oil exports have dropped to 1.5 million barrels a day, the lowest since 1986, during the Iran-Iraq war.4 In terms of the domestic economy, the semiofficial Iranian news agency Mehr News reported in March that the Iranian government's March estimate for annual inflation was 31.5%. Numerous Western analysts peg the actual figure higher, concluding that inflation will be a major factor in the upcoming Iranian Presidential election.<sup>6</sup> While there is some disagreement on the statistics, it is clear that Iranian oil exports have dropped significantly, and the Iranian domestic economy is suffering.

Iran has pursued a number of parallel actions to work around sanctions. On a state to state level, Iran has aggressively pursued commercial relationships that continue to provide funding to the Iranian regime via the National Iranian Oil Company (NIOC) and National Iranian Tanker Company (NITC). Although China, Japan, South Korea, and other Asian states are technically in compliance with sanctions, they still all import significant quantities of Iranian oil. China has actually increased its imports of Iranian oil recently, with February 2013 imports running well over 500,000 barrels per day, an increase of over 80% from February, 2012.

As well as exporting Iranian oil to China, Iran is importing technical expertise from China to maximize oil and gas production. As evidence of the strong and growing strategic relationship between Iran and China, both Chinese National Petroleum Company (CNPC) and Chinese National Offshore Oil Company (CNOOC)

remain invested in various Iranian oil and gas projects.8 In addition to formal state to state cooperation, Iran remains adept at state-based smuggling using foreign companies as front organizations or willing participants in evading sanctions, as demonstrated by the extensive operation run by Greek shipping executive Dmitris Cambis, who set up a network of 14 front companies in Greece to operate eight supertankers smuggling Iranian oil.9 These two options to bypass sanctions, state-tostate cooperation and the use of foreign shell companies to facilitate oil sales, generate cash flow. In terms of actually smuggling manufactured goods, Iran has found a number of companies and businessmen across the Middle East willing to smuggle what the Iranian economy needs.10 The flexibility of the Iranian economy in response to sanctions is perhaps best evidenced by barter deals between Pakistan and Iran. Pakistan needs Iranian oil and gas; Iran needs Pakistani agricultural goods; by trading oil for wheat, Iran has evaded restrictions on electronic transfers using Western banks.11

Sanctions have not dissuaded Iran from pursuing nuclear weapons technology, nor have the sanctions made it materially impossible for Iran to do so. Additionally, based on the amount of materiel that Iran is providing to the Assad regime in Syria, Hezbollah in Lebanon, and Iranian proxy organizations in Syria, it is clear that Iran retains the ability to manufacture or distribute weapons. It likewise is capable of conducting naval exercises and deployments.

#### Two Navies, one Chain of Command

The Iranian military is organized into two separate entities: the regular, or "Artesh," military, and the Islamic Revolutionary Guards Corps (IRGC). Both the Artesh and IRGC military arms have land, sea, and air forces. In general terms, the Artesh military is organized more along traditional lines, while the IRGC is a military force that has significant political and economic activity outside of traditional military roles. The Iranian Navy is therefore also comprised of two separate but complementary organizations, each of which has distinct role and geographic responsibility. Their separate equipage and culture reflects their distinct roles. Both the Artesh Navy, formally known as the Islamic Republic of Iran Navy (IRIN), and the IRGC Navy (IRGCN), have recognized the need to prioritize asymmetric warfare in order to present a credible threat to qualitatively superior Western militaries and have made this a core of their maritime strategy. 12

For most of Iran's post-revolution history, IRIN and IRGCN have been competitors; starting in 2007, the Joint Staff of Iran's Armed Forces conducted a major reorganization of the IRIN Navy and the IRGCN, dividing their geographic responsibilities, with the IRGCN taking primary control over all operations in the Persian Gulf, Strait of Hormuz, and Sea of Oman, and the IRIN taking responsibility for all out-of-area deployments. The ISW publication "Iran's Two Navies" details how the IRIN and IRGCN have, since the reorganization, cooperated more closely and effectively with each other. As a result, several recent Iranian maritime exercises show an increased ability for IRIN and IRGCN to exercise mutually supporting command and control relationships, as well as to cooperate at the tactical level.

While the IRIN and IRGCN are separate organizations, with unique equipage and geographically distinct areas of responsibility, they both ultimately report to the Supreme Leader of Iran, Ayatollah Khamenei, through the Supreme National Security Council (SNSC). <sup>14</sup> The IRGC and IRGCN have achieved a measure of autonomy and independence recently, but they are still subordinate and loyal to the Supreme Leader. <sup>15</sup> This loyalty is hierarchical, in that both the IRGC and IRGCN report to the SNSC, and personal, in that the Supreme Leader appoints leadership in both the IRIN and IRGCN. <sup>16</sup>

Ultimately, although the IRIN and IRGCN are separate organizations, they have a common chain of command through the SNSC to the Supreme Leader. From a strategic perspective, they function in a mutually supportive way. The IRGCN functions almost like an extremely well-equipped Coast Guard, assuming responsibility for patrolling Iranian territorial waters and energy infrastructure in the Persian Gulf and Strait of Hormuz, and off the Makran Coast. The IRGCN equipage reflects the geographical responsibility for securing Iranian territorial waters and confined areas. IRGCN has hundreds of small, fast, agile patrol boats that, though limited in range, carry a fairly heavy complement of weapons.<sup>17</sup> By assuming responsibility for the geography near Iran, the IRGCN frees up the IRIN to conduct longer-range deployments and strategic engagement with partner nations.

Iranian Navy Model of Readiness

It is important to note that the Iranian military uses a different model of combat readiness from the American model. The U.S. Navy model of readiness is based on

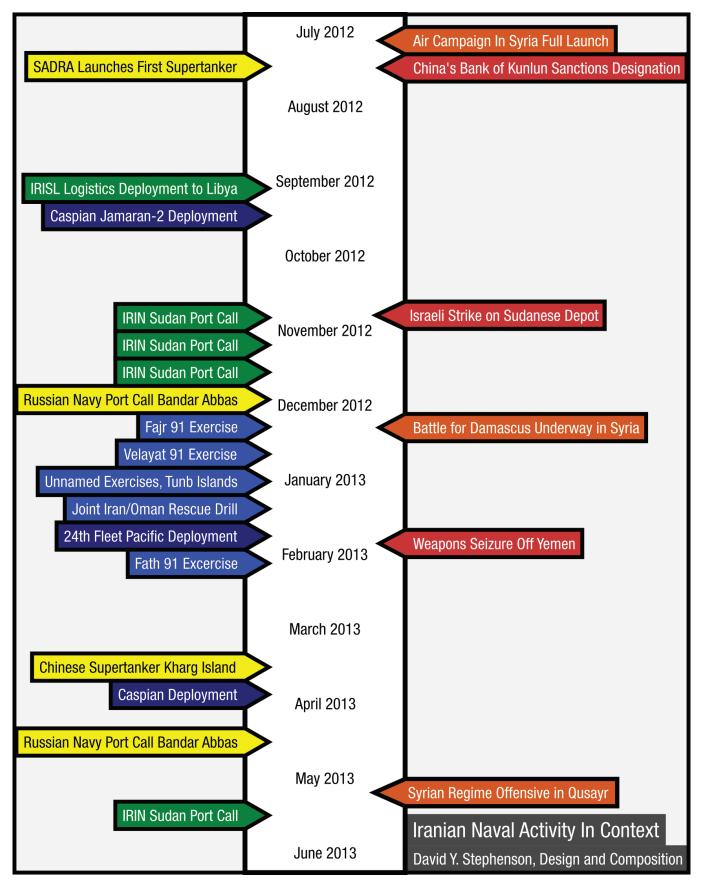


FIGURE 1 | TIMELINE OF IRANIAN NAVAL ACTIVITY AND REGIONAL EVENTS

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PHOTO 1 | ADMIRAL HABIBOLLAH SAYARI BRIEFING THE VELAYAT 90 EXERCISE (SOURCE: ISNA, HEMMAT KHAHI)

highly trained personnel, equipped with advanced communications, transportation, and weapons systems, with significant time dedicated to complex training scenarios, capable of worldwide deployments lasting up to a year or longer. In any conventional, traditional conflict, the American Navy would be qualitatively superior to any combination of IRIN, IRGCN, and Iranian land forces.

The Iranian military recognizes that it cannot compete with the American military or other potential adversaries in terms of a traditional military conflict. As a result, the entire Iranian military model of readiness is based on the concept of asymmetric warfare. This is largely a result of lessons learned during the Iran–Iraq war of 1980-1988.

At the start of the war, Iran was at a severe qualitative disadvantage compared to Saddam Hussein's forces. In the years immediately preceding the war, Iraq had spent significant resources building a very capable military equipped with the most modern Soviet equipment available at the time. <sup>19</sup> On the Iranian side, revolutionary forces had purged or executed much of the senior leadership of the Iranian military in the aftermath of the 1979 Iranian Revolution. <sup>20</sup> As a result, when Iraq invaded Iran, it quickly became apparent that Iraqi forces were better equipped, better led, and much more capable. In response, Iran was quickly forced to adopt

asymmetric tactics, including "human wave" assaults to clear minefields.21

Additionally, during the Tanker War of the 1980s, IRIN and IRGCN tried to function as a "near peer" competitor to the U.S. Navy by engaging in various iterations of direct combat; the results were disastrous, as the U.S. Navy routinely destroyed numerous Iranian patrol boats, observation platforms, and shore installations. <sup>22</sup> In particular, the U.S. Navy-led Operation Praying Mantis inflicted severe damage on the IRIN, sinking five Iranian ships, including the frigate Sabalan. <sup>23</sup>

As a result of these combat experiences, the Iranian regime recognized that it fundamentally cannot, and will not be able to, compete with any of its adversaries in a head-to-head conventional conflict. The results of the Second Gulf War of 2003, in particular the use of precision guided munitions including cruise missiles and bombs, strongly reinforced this understanding. The asymmetric tactics the Iranian regime adopted in extremis during the Iran-Iraq war have become the foundation for the entire Iranian military doctrine.<sup>24</sup> This commitment to asymmetric warfare is practiced not just by the Artesh and IRGC, including Quds Force, but also by other Iranian agencies, including the Cyber Police.<sup>25</sup>

Because of this commitment to asymmetric warfare, the inability to purchase conventional maritime vessels from international vendors, and a lack of industrial capacity to produce conventional maritime vessels indigenously, IRIN and IRGCN procurement strategy in the 1980s focused on obtaining or producing hundreds of smaller craft capable of conducting swarm attacks, laying mines, and other asymmetric tactics.26 The Iranian model of maritime readiness, for both the IRIN and IRGCN, reflects this strategy of asymmetric warfare. Unlike the U.S. Navy, the IRIN and IRGCN do not require complex exercises to maintain readiness. Given that Iranian patrol boats, warships, and submarines are in position to fire their weapons as soon as they get underway from their home ports, the asymmetric maritime warfare model of Iran assumes that any maritime conflict will be fought at close range, without complex interdependent positioning of ships beforehand.27 Numbers and speed will be of greater importance in this context than advanced training.

The entire IRIN fleet numbers about 175 total combatant and logistics vessels. Of these, less than ten of the combatant vessels are over 750 tons displacement, giving them enough onboard fuel and supply storage adequate to conduct long range deployments. The fact that the IRIN is currently equipped for short-range, asymmetric warfare, with numerous small, short-range vessels, but has relatively few vessels capable of selected long-range deployments validates the premise that out-of-area deployments are not about power projection, demonstrating long-range military capability, or supplanting asymmetric warfare roles.

Because Iranian maritime strategy does not require long-range deployments or complex, simultaneous ship movements at sea, Iranian naval exercises are focused on exercising basic capabilities, ensuring that if the IRIN and IRGCN need to fight, they can execute their short-range, short-duration, and technologically simple asymmetric warfare tactics capably. The IRIN and IRGCN are nowhere near as capable at traditional maritime combat as the U.S. Navy — but they do not need to be; they only need to be capable of reliably exercising simple asymmetric tactics.

#### Open Source Reporting of Iranian Exercises

Iranian exercise data in open source largely originates with one of several Iranian news organizations: Fars News Agency, Islamic Republic News Agency (IRNA),

Islamic Republic of Iran Broadcasting (IRIB), Mehr News Agency, Sepah News, Press TV, or other media outlets. Some of these outlets are directly owned by the Iranian government; others are merely approved by the government. Regardless of the exact ownership of these media outlets, there is little independent reporting of Iranian maritime exercises; most data about Iranian maritime exercises is generated by the regime, fed to state-owned or state-controlled media outlets, and then picked up by international news outlets. As a result, reporting on Iranian naval exercises is dependent on the Iranian state providing details regarding how many and what type of ships were used. For some larger exercises, however, there is significant international reporting, and although the exact type and number of ships involved may not be independently verified, the time and geographic reach of the exercise is. Additionally, the widespread usage of social media and cell phones to take and post pictures has yielded a tremendous amount of open source intelligence in terms of pictures of Iranian vessels, especially in port. The Iranian port calls to China and Sudan, and transit of the Suez Canal, were not only widely covered by official media, but also received extensive social media coverage as well.29

#### Iranian Exercise Messaging Strategy

The Iranian regime clearly pursues a messaging strategy with respect to its maritime exercises that operates in conjunction with official press coverage. This messaging strategy is largely directed by the IRGC, and the statements given by various members of the regime show a high degree of consistency. 30 As part of this IRGC directed messaging strategy, the Iranian regime seeks to maximize publicity when conducting exercises, in order to give the impression of high military capacity. With direct military superiority in the Persian Gulf or Gulf of Oman not possible, the Iranian government displays military strength as a deterrent to potential enemies. This projection of strength in turn enables the execution of other strategic tasks, including supporting the Assad regime in Syria, and Lebanese Hezbollah as a proxy instrument against Israel.31

On a regular basis, senior Iranian military leadership brief exercises to the public through the state-owned or state-controlled Iranian media.<sup>32</sup> The immediate intended recipient of this messaging strategy is the Iranian public, but high-visibility briefings by senior Iranian military leadership also reach regional and

international audiences.33

Additionally, the Iranian regime uses the state-controlled media to spread clearly inaccurate reporting about Iranian military capability. Such was the case in July of 2008 when Sepah News, the media arm of the IRGC, published a photo purportedly showing a successful simultaneous launch of four missiles. Shortly after releasing the photo, numerous Western media outlets, including the New York Times, The Chicago Tribune, and the LA Times, picked up the image and reprinted it.34 Shortly after the image starting circulating on the internet, several websites pointed out that the missile launch had obviously been digitally altered. Further investigation ultimately revealed that one of the missiles had failed to ignite; rather than acknowledge the failure of one missile to launch, Sepah News altered the photo and released it.35 In a similar move, when Iran unveiled its "stealth jet," the Qaher 313, aviation experts quickly concluded the aircraft was little more than a highly detailed model, with no ability to even fly, let alone any actual combat capability.<sup>36</sup>

It is clear that Iran has a messaging strategy with respect to exercises, and seeks to maximize visibility and publicity surrounding them. The Iranian regime is willing to portray its military capability in an effort to convince domestic and international audiences that it is more capable than it actually is.

#### **IRANIAN NAVAL EXERCISES**

A Marginal Decrease in Size, Scope, and Intensity of Maritime Exercises

Even in light of Iran's messaging efforts to overemphasize the size, scope, and intensity of their exercises, there are some aspects of Iranian maritime exercises that are relatively transparent; the location and duration of exercises, for example, are virtually impossible to conceal, especially when they take place in heavily trafficked bodies of water such as the Persian Gulf, Strait of Hormuz, or Gulf of Oman. The size, scope, duration and intensity of local exercises, including Velayat 91, Fajr 91, and Fath 91, have marginally decreased in 2012-2013. This reduction is most clearly visible in the direct contrast of the Velayat 90 and Velayat 91 exercises, described below. At the same time, the IRIN has increased its long-range deployments. IRIN and IRGCN continue to conduct sustainment training via unnamed exercises that maintain readiness and reinforce Iranian claims to disputed territory such as the Tunb Islands in the Strait of Hormuz and territorial waters in the Caspian Sea.

December 26, 2011 - January 7, 2012: Velayat 90

The Velayat series of exercises is an annual, large scale, multi-service, live fire, signature exercise that has taken place every December since at least 2005.37 The exercise originates in the Iranian Navy Headquarters port of Bandar Abbas, directly at the midpoint of the Strait of Hormuz. This is Iran's highest-profile military live fire exercise. Although it is a maritime-centric exercise, it also involves every major organization in the Iranian military including the Artesh land, air, and sea forces, and their IRGC equivalents, including the IRGC Quds Force. Velayat simulates both defensive and offensive engagements and takes place over a huge area, from the Persian Gulf, through the Strait of Hormuz, across the Gulf of Oman and into the Indian Ocean. Iranian media organs give the exercise maximum coverage, with plenty of videos showing live fire participation including ships, hovercraft, and submarines firing missiles, torpedoes, and guns.38

In addition to the traditional Iranian media outlets of Fars News, Press TV, and Mehr News, the Iranian regime highlights the Velayat series of exercises via social media such as Twitter and Facebook.<sup>39</sup> Russian state-owned or controlled media typically give in-depth and favorable coverage to Velayat, with a particular focus on live fire exercises.<sup>40</sup> This is a high quality exercise, with virtually every capability of the Iranian military being exercised.

In December of 2011, Velayat 90 was announced with a planned duration of ten days, and an announced geographic reach as far as the Gulf of Aden. 41 It involved at least twenty surface ships and at eight submarines.42 By all accounts, according to both Iranian media and external Western media, including press releases from U.S. Navy Fifth Fleet in Manama, Bahrain, Velayat 90 did last at least ten days, from about December 26, 2011, to January 7, 2012, with significant geographical reach, at least as far as the Gulf of Aden. 43 The Velayat 90 involved a massive number of ships dispersed across several operational areas. At the time, there was significant international interest over Iranian threats to close the Strait of Hormuz. At one point, a rumor on Wall Street that Iran had closed the Strait of Hormuz "until further notice," caused crude oil prices to spike dramatically.44 Retired Major General Amos Yadlin, who served as head of Israeli Defense Forces (IDF) Military Intelligence, described Velayat 90 as "one of the largest naval maneuvers in its history," explicitly designed to "highlight the potential cost of any possible confrontation."45



PHOTO 2 | IRANIAN PRESIDENT MAHMOUD AHMADINEJAD AT THE LAUNCH OF THE JAMARAN-2 (SOURCE: FARS NEWS AGENCY, HAMED JAFARNEJAD)

Against this backdrop of extreme international interest, Iranian public officials cast the Velayat 90 exercises as a direct indication of Iranian territorial sovereignty and regional dominance. Zohreh Elahian, a member of the National Security and Foreign Policy Committee of the Iranian Parliament, stated that, "The exercises send an important message to the whole world, especially the colonialist powers ... and also show the power of Iran's armed forces, particularly the Navy." Elahian added that if required, Iran absolutely had the ability to take control of the Strait of Hormuz.<sup>46</sup>

Along with Iranian lawmakers, Iranian Army chief Ataollah Salehi said the exercises had forced the United States Navy to move an aircraft carrier out of the Gulf because of Iran's naval exercises, and Iran would take action if the ship returned. "Iran will not repeat its warning ... the enemy's carrier has been moved to the Sea of Oman because of our drill. I recommend and emphasize to the American carrier not to return to the Persian Gulf. ...we are not in the habit of warning more than once."

Velayat 90 was high visibility, high intensity, lasted ten

days, had significant geographical reach, and was paired with confrontational public assertions by both Iranian state officials and military leadership.

December 28, 2012 - January 02, 2013: Velayat 91

In contrast, Velayat 9I ran for just six days, from December 28, 2012 to January 02, 2013. The exercise had a reduced geographical reach as well, with no mention of reaching the Gulf of Aden.<sup>48</sup> The Velayat 9I exercise was much smaller, much less ambitious in size, scope, reach, and duration, with little to no accompanying commentary from the Iranian political leadership.<sup>49</sup> Velayat 9I only involved a handful of surface ships and submarines, far fewer than Velayat 90.

Although it is reasonable to assume that sanctions have had an impact on Iranian military resourcing, it would be a mistake to assume the decreased size, scope and intensity of Velayat 9I as compared to Velayat 90 was due solely to the impact of sanctions. Given that Iran has simultaneously added long range deployments at the same time as it decreased the scope of its maritime exercises, it seems

more reasonable to conclude that Iran has made a strategic decision to reallocate resources (fuel, spare parts, supplies, etc.) from local exercises to long-range deployments. Iran has the ability to conduct expensive, long-range naval deployments to China, Syria, and Sudan, and the Islamic Republic has prioritized these for strategic reasons over Velayat 91 while facing budgetary constraints. Sanctions have surely had some impact on Iranian military capabilities, but not on Iran's ability to deploy naval forces at a long distance in support of strategic objectives.

The comparison of Velayat 9I and Velayat 9O gives the clearest indication that Iran is making a strategic decision to reduce exercise intensity in order to facilitate long-range deployments in support of strategic engagements with key partners. At the same time, Iran is conducting enough exercises to maintain its baseline of maritime readiness.

#### Baseline Readiness / Territorial Exercises

While a comparison of Velayat 91 and Velayat 90 shows that Iran has decreased the size and scope of its signature annual live fire exercise, it is important to keep in mind that Iran continues to conduct baseline maritime training exercises, with a focus on core competencies, such a securing Gas and Oil Platform (GOPLAT) infrastructure in the Persian Gulf, reinforcing territorial claims to the disputed Tunb islands in the Strait of Hormuz, reinforcing territorial claims in the Caspian Sea, and conducting rescue and relief operations. The following five exercises are an example of Iranian maritime exercises that focus on these baseline core competencies.

#### <u>September 17 – 18, 2012: Launch of Jamaran-2, Caspian</u> <u>Sea Minesweeping Exercise:</u>

Iran and Azerbaijan are at odds over a number of issues, including competing territorial claims in the Caspian Sea. Iranian Press originally reported the Caspian Sea exercise as focusing on minelaying and minesweeping. On closer inspection, it appears this exercise was actually part of a broader Iranian effort to secure its territorial claims in the Caspian Sea. Iran has an unchallenged claim to about 12% of the Caspian Sea, but it does not have the technical capacity to fully exploit the existing resources underneath its established territorial waters. Starting in 2002, Iran began a public relations campaign claiming it actually was due 20% of the Caspian Sea. Iran's expanded claim directly conflicted with Azerbaijan's existing claim, which was internationally recognized. The disputed sections of the Caspian Sea are rich in mineral, oil, and gas deposits,

as well as fisheries, including the highly profitable trade in Sturgeon caviar.<sup>52</sup> The ongoing Iranian claims to 20% of the Caspian Sea have led to what the Caspian Research Institute refers to as a "low grade Cold War."<sup>53</sup>

To underscore the extent of Iranian commitment to protecting and possible expanding its interests in the Caspian Sea, in March, 2013, Iran launched the second indigenously produced Moudge Class destroyer, Jamaran-2, at the Caspian Sea port of Bandar Anzali. 54 President Ahmadinejad, Iranian Defense Minister Brigadier General Ahmad Vahidi, and Chief of Staff of Iran's Armed Forces Major General Hassan Firouzabadi all attended the launch ceremony. 55

Although Iran's motivation in expanding territorial claims in the Caspian Sea is clear, it seems odd that Iran would prioritize deploying a warship and conducting naval exercises in the Caspian Sea over other strategic priorities, such as developing the nuclear program, evading sanctions, conducting long-range naval deployments, all while resupplying Syria, Hezbollah, and Hamas. Although the low-grade tension between Iran and Azerbaijan on their land border and in the Caspian Sea gets comparatively little attention, it is a sign of Iranian resiliency and depth of industrial capacity that the Islamic Republic is able to conduct significant exercises and launch indigenously produced ships along multiple fronts.

#### December 25 - 28, 2012: Fajr 91

Fajr 9I was an IRGCN exercise designed to protect oil and gas fields and equipment in the Asaluyeh and South Pars oil regions. <sup>56</sup> Based on YouTube videos related to the exercise, IRGCN conducted a wide range of operations including combat capability, search and rescue, civil engineering, and environmental response. Smaller ships were shows in the videos, consistent with IRGCN capabilities. <sup>57</sup>

Fajr 9I is an example of a short-range, short-duration exercise designed to validate basic military competencies, which simultaneously serves a strategic purpose of reinforcing Iran's claim to natural resources in the Persian Gulf. The location of the exercise, inside the Persian Gulf, and the infrastructure element of the exercise, protecting Gas and Oil Platforms (GOPLATS), shows that Iran is aggressively defending its existing territorial waters, and is prepared to defend the disputed territorial waters around the Tunb Islands and Abu Musa.

The timing of the Fajr 9I exercise, overlapping the larger Velayat 9I drill, shows the capability of IRGCN to conduct parallel command and control of training and operations. Although this is a standard capability of Western Navies, it is a relatively new capability for IRIN and the IRGCN, and shows that the greater cooperation resulting from the 2009 reorganization is enabling more complex interactions between the two.

Although the Pars gas field is nominally equally divided between Iran and Qatar, Iran historically has not drawn nearly as much gas out of the field as Qatar. <sup>58</sup> Qatari extraction is largely done by high technology capable partners, including Exxon Mobil, Shell Global, and other Western corporations. <sup>59</sup> Unlike Qatar, Iran does not have access to the highest technology and best practices employed by Western firms to exploit its natural gas resources in the Pars field; as a result, Iran must self-finance and develop these fields. While Iran lags behind Qatar in exploiting the Pars field, it is increasing exploration and production. <sup>60</sup>

The full array of Iranian media, along with Russian and Chinese media outlets, gave coverage to Fajr 91. <sup>61</sup> Of particular interest, Chinese media reports highlighted Fajr 91's location in the Pars gas fields, and Iran's claim to equal ownership with Qatar of the Pars gas fields. <sup>62</sup> This may be partially due to ongoing business negotiations between Iran and the China National Petroleum Corp.

to finance and develop sections of the Pars gas field that belong to Iran.  $^{63}$ 

Part of Iran's strategy to bypass sanctions involves building the Iran-Pakistan gas pipeline. In March of 2013, President Ahmadinejad of Iran and President Zardari of Pakistan held a public groundbreaking ceremony in Chahbahar, Iran to start construction on the joint section of the pipeline.<sup>64</sup>

Iran's ability to source gas into the Iran-Pakistan pipeline is dependent on access to the Asaluyeh and South Pars oil and gas regions. Fajr 9I was a highly visible sign of Iranian commitment to its partners that it is able to protect its maritime gas fields, and additionally validated that Iran is capable and willing to conduct high visibility exercises in close proximity to each other.

#### January 13 – 15, 2013: Unnamed IRGCN Exercise, Abu Musa and the Tunb Islands

In an unnamed exercise in January, IRGCN reportedly tested new equipment, new tactics, and response to natural disasters. <sup>65</sup> The exercise was based out of Bandar Abbas, and took place primarily within the Strait of Hormuz, with a few maneuvers in the Persian Gulf and Gulf of Oman near the Strait of Hormuz.

This unnamed exercise is part of a series of ongoing



PHOTO 3 | PRESIDENT AHMADINEJAD VISITING THE ISLAND OF ABU MUSA (SOURCE: IRNA)



MAP 1 | MAP INDICATING LOCATIONS OF ABU MUSA AND TUNB ISLANDS IN THE STRAIT OF HORMUZ

exercises conducted by the IRGCN in the Strait of Hormuz; according to IRGCN Rear-Admiral Reza Torabi, this was the fifth such tactical-level exercise. <sup>66</sup> Previous exercises were not identified by timeline, participating units, or geographic reach.

Based on the relatively low publicity given to the previous four exercises in this unnamed series of exercises, and in light of the geographic location in the Strait of Hormuz, it seems likely that the purpose of this exercise is to validate Iranian ability to defend and reinforce their garrisons on the islands of Greater Tunb, Lesser Tunb, and Abu Musa. as well as reinforce Iranian claims to all three islands. Iran has occupied the three strategically vital islands, located just inside the Strait of Hormuz in the Persian Gulf, since 1971, and the United Arab Emirates has consistently disputed the Iranian claim to the islands. <sup>67</sup> The islands are of great importance for three reasons. First, to establish legal claim for underwater mineral rights; whichever country has legal claim to the islands can use that claim to establish territorial waters and exploit mineral rights in the Persian Gulf. Second, because the three islands are perfectly situated to host military surveillance operations which provide direct visual monitoring of all maritime traffic on the Persian Gulf side of the Strait of Hormuz. Third, because Iran has previously claimed that it legally can control access through the Strait of Hormuz, and

solidifying ownership of the disputed islands would increase the area under this claim.<sup>68</sup>

International maritime law holds that territorial waters extend 12 nautical miles from a given state's shoreline. This definition is codified in numerous treaties, including the United Nations Convention on Law of the Sea (UNCLOS). Although the U.S. government has never ratified UNCLOS, it does recognize certain provisions of the treaty as binding, including the 12 nautical mile territorial waters definition. 69

The U.S. Navy follows an interpretation of international maritime law that holds all vessels have the right of "transit passage" through the Strait of Hormuz. At its narrowest point, the Strait of Hormuz is only 2I nautical miles wide; as a result, the territorial waters of Oman and Iran, located on either side of the Strait, converge, meaning any vessel that transits the Strait of Hormuz does in fact pass through either the territorial waters of Iran or Oman. Based on the current "traffic separation scheme" in use through the Strait of Hormuz, vessels inbound to the Persian Gulf exercise right of transit passage through Iranian territorial waters, and vessels outbound from the Persian Gulf exercise right of transit passage through Omani territorial waters. This traffic separation scheme was originated by the International

Maritime Organization, and based on U.S. Coast Guard directives applies to all U.S. flagged vessels transiting the Strait of Hormuz.<sup>71</sup>

Iran has asserted that it can refuse right of transit in certain cases, although this claim is not internationally accepted. If Iran were to gain undisputed possession of the Tunb Island and Abu Musa, the U.S. Navy would reject the claim that Iran controls access to the Strait of Hormuz. Legal claims may be of little import in a conflict, however, and Iran has repeatedly threatened to close the Strait to maritime traffic.

On November 3, 2012, IRGC unveiled a new base at Bandar Lengeh, just 40 miles north of the Tunb Islands, and made specific reference to the role that Bandar Lengeh would play in reinforcing the Tunb Islands and Abu Musa.74 Shortly after Iran unveiled the new base at Bander Lengeh and publicly linked it to the Tunb islands and Abu Musa, the United Arab Emirates (UAE) Minister of State for Foreign Affairs, Anwar Mohammed Gargash, reiterated that the three islands belonged to the UAE, and called on Iran to enter into negotiations with the UAE over the islands sovereignty. 75 The Iranian response was unequivocal and calculated for maximum domestic political impact. Iran's Deputy Foreign Minister, Hossein Amir-Abdollahian, stated in early December 2012 that "The Islamic Republic of Iran considers it its legal right to exercise sovereignty over the Iranian islands of the Greater Tunb, the Lesser Tunb and Abu Musa,"76

Given the timeline of events, with Iran inaugurating the new base at Bandar Lengeh in November of 2012, and associating it with occupation of the Tunb Island and Abu Musa, the UAE call for negotiations regarding the legal status of the islands later in November, the highly public Iranian response rejecting calls for negotiation in December, and the unnamed IRGCN exercises in the Straits of Hormuz in January 2013, it seems clear that these localized, individual events are part of an Iranian strategy to increase their legal claim over access to the Strait of Hormuz.

As a final indicator of how important the Iranian regime considers the islands to be, Iran's senior leadership, both political and military, have visited the island repeatedly as part of the Iranian effort to solidify their claim. In April 2012, President Ahmadinejad visited Abu Musa and held a rally with several hundred local residents.<sup>77</sup> In May of 2012, IRGC Commander Major General Mohammad Ali Jafari and IRGCN Commander

Admiral Ali Fadavi visited all three disputed islands and the military garrisons.<sup>78</sup> In April 2013, Mansour Haqiqatpour, Vice-Chairman of the parliament's National Security and Foreign Policy Commission, led a delegation of parliamentarians to visit all three disputed islands.<sup>79</sup> Representatives from the executive, legislative, and military branches of the Iranian regime have visited the disputed islands in the past year.

January 20 – 22 2013: Joint Iranian – Omani Navy Rescue and Relief Drill

The Iranian and Omani Navies conducted an unnamed joint exercise focused on rescue and relief, in the Northern Arabian Sea just outside of the Strait of Hormuz. 80 The stated purpose of the exercise was to conduct rescue and relief operations at sea; the real purpose was to maintain and expand the underlying strategic relationship between Oman and Iran. Of all the peninsular Arab states, Oman has by far and away the best relations with Iran, maintaining an ongoing security relationship and mutually beneficial trade agreements. 81

In July of 2009, Sultan Qaboos of Oman visited Iran for the first time since the Iranian Revolution of 1979; this visit was part of a trend towards greater economic and military cooperation between Iran and Oman. In 2010, Oman and Iran agreed on a formal security cooperation agreement, which the Iranian parliament approved. Part of that agreement was a commitment to hold annual, joint Navy rescue and relief drills. This exercise in January 2013 reflects that agreement, and provides the basis for further cooperation in the future. Following this exercise, Iranian Rear Admiral Habibollah Sayyari of the IRIN announced that the joint exercise in 2014 will be held in the Persian Gulf. 4

Moving the drill from the Gulf of Oman, outside the Strait of Hormuz, to the Persian Gulf, inside the Strait of Hormuz, is a small shift geographically, but represents a significant increase in the strategic impact of the exercise, for four reasons. First, by holding the drill inside the Strait of Hormuz in the Persian Gulf, where the IRGCN has been designated the lead organization, Iran can highlight the growing cooperation between the IRIN and the IRGCN. Leading an exercise with a foreign country participating will highlight the importance and professionalism of the IRGCN. Second, by holding the drill in the Persian Gulf, Iran maximizes the propaganda value for the Iranian domestic audience and advertises to the Shiʻa population on the Arab peninsula that Iran has

Arab partners who are willing to work with Iran on both economic and security issues. Third, holding the drill in the Persian Gulf reinforces Iranian claims that they can actually exercise some level of control over the Strait of Hormuz and the Persian Gulf, especially since they are conducting the drill with Oman. Oman supports the interpretation that, since Iranian and Omani territorial waters cover the entire Strait of Hormuz, the two countries should have greater control over access to the Strait.<sup>85</sup>

As part of the exercise, Omani ships pulled into Bandar Abbas prior to the exercise, and Iranian ships visited the Omani port of Salalah. Rescue and relief drills are easy, low-cost, low-complexity training exercises that focus on a core humanitarian capability that both navies use during real world operations. Fishing ships and small cargo dhows are constantly getting in trouble, and both navies do real world rescues on regular basis. So this is a core capability the fleets need to exercise, and represents a convenient mechanism for Oman and Iran to work together without expending too many resources, or sharing too many secrets.

#### January 27 - 30 2013: IRGCN Fath 91:

The "Fath 91" exercise was a three-day exercise conducted by the IRGCN in and around the Straits of Hormuz, Persian Gulf, and out into the Gulf of Oman, in late January 2013. IRGC Marines as well as air defense, naval patrol, missile, and vessel units took part. <sup>87</sup> There were no foreign participants.

IRGCN vessels are typically smaller than their IRIN counterparts and are optimized for high speed, high maneuverability tactics consistent with asymmetric warfare at sea. In geographic terms, the IRGCN has primary responsibility for all maneuvers and operations in the direct vicinity of the Straits of Hormuz and into the Persian Gulf, and may occasionally take command of IRIN Navy vessels in this geographic area. 88

The IRGCN Rear Admiral Seifollah Bakhtiarvand observed that the primary purpose of Fath 9I was to exercise "operational defense plans based on an asymmetric warfare doctrine and appropriate for current events." In this context, the "current events" probably refer to Iran's ability to conduct asymmetric warfare against the U.S. Navy. This statement regarding current events may have also referred to the U.S. Navy announcement, three days prior to Fath 9I, that budget sequestration would possibly result in planned Carrier

Strike Group deployments to the Persian Gulf being cancelled. 90 Along with that purpose, strictly focused on exercising the skills required to conduct asymmetric warfare at sea, he indicated that a second focus was "Practicing coordination procedures between forces in different areas." 91 These two statements indicate that while Fath 91 had limited geographic reach and unit participation, it exercised the command and control relationship between IRIN and IRGCN.

Although Fath 9I had a relatively short duration and limited geographic reach, it does show that the IRGCN is maintaining baseline capabilities consistent with their model of military readiness, and provides further evidence that Iranian political and military leadership is overtly signaling the importance of asymmetric warfare tactics to not only the U.S. Navy, but to their domestic population as well.

The exercise received coverage in numerous Iranian government press organs, including Fars News, Mehr News, Press TV, and multiple Western news agencies. <sup>92</sup> The Russian state owned news agency, Ria Novosti, is one of several Russian news agencies that covers Iranian military exercises including Fath 91. <sup>93</sup>

### IRANIAN NAVAL DEPLOYMENTS AND STRATEGIC ENGAGEMENTS

A Deliberate Strategy to Increase Deployments and Strategic Engagements

While it is clear that Iran has marginally reduced the size and scope of its maritime exercises, the reasons behind this are debatable. In the absence of any evidence to the contrary, one could assume that Iran has reduced its maritime exercises because of resource shortages caused by sanctions. However, given that Iran has simultaneously increased its long range naval deployments to the Mediterranean and Pacific, and conducted increased strategic engagements with Russia, China, and Sudan, and Syria, it seems reasonable to conclude that Iran has not decreased its focus on maritime exercises out of necessity, but as part of a considered strategy to reallocate resources to higher value activities. This view is supported by a statement from Navy Commander Rear Admiral Habibollah Sayyari in April of 2013 when he said that "The golden triangle of Malacca, Bab el-Mandeb and the Strait of Hormuz is an important triangle and is the Navy's point of concentration as recommended by the Leader."94 If the Supreme Leader, Ayatollah Khamenei,

did give direction that the IRIN should be focused on operations between the Strait of Malacca, leading from the Indian Ocean to the Pacific Ocean, the Strait of Bab el-Mandeb, leading from the Gulf of Aden to the Red Sea, and the Strait of Hormuz, this would indicate a considered strategy to reallocate resources to higher value activities.

The IRIN recently conducted two significant and unprecedented out of area deployments, to the Pacific Ocean and the Mediterranean, as well as a series of recurring deployments to Sudan. Although long-range deployments are common for U.S. Navy operations, they represent a significant advancement in capabilities for the Iranian Navy. Iranian long-range naval deployments are not taken in preparation for conducting military operations at a long distance from Iran, because IRIN is not likely to conduct traditional military operations in the Pacific. IRIN will, however, continue to support and expand Iranian strategic engagements with China, Russia, Sudan, and Syria, and its long-range deployments seem designed to support such strategic outreach.

Reciprocal outreach from strategic partners to Iran reinforces this conclusion. While the IRIN was conducting its first long range deployment to the Pacific Ocean, and continuing an ongoing series of deployments to Sudan, the Russian Navy began what appears to be a series of port calls to Bandar Abbas, Iran.

Iranian leadership sees the expanded long range deployment capability of IRIN as part of a long term strategy to expand Iranian influence; this observation is confirmed by statements of Iranian military leadership, including Admiral Sayyari, who said that the Iranian deployment to the Pacific was a prelude to "Iran's presence in the Atlantic Ocean," adding that a constant and extensive presence of Iran in international waters will be on top of the Navy's agenda. 95 It is reasonable to conclude that the Iranian regime has decreased emphasis on live fire maritime exercises in order to devote resources to long-range deployments.

<u>January – March 2013, Iranian 24<sup>th</sup> Fleet Deployment</u> <u>and Strategic Engagement with China</u>

The Iranian Navy destroyer Sabalan and the helicopter carrier Kharg departed Bandar Abbas on or about January 26, 2013 for the longest range deployment in Iranian naval history. <sup>96</sup> Designated the 24<sup>th</sup> Fleet, the news was reported by both Iranian government

media outlets as well as Arab news outlets in the Gulf Cooperation Council, including Al Arabiya, which takes a generally hostile view of Iranian military activities. <sup>97</sup> The 24<sup>th</sup> Fleet transited from Bandar Abbas, out the Strait of Hormuz, across the Indian Ocean, through the Straits of Malacca and into the Pacific Ocean.

This is believed to the be the first time in history that Iranian warships have entered the Pacific Ocean, and is certainly the first time since the 1979 revolution. Although the exercises conducted on this deployment seem to have been some version of sustainment training rather than high intensity exercises, the distance and location of the deployment are significant. Both Iranian vessels pulled into the Chinese port of Zhangjiagang on March 4, 2013 and left on March 7, 2013. The port call was highlighted by the usual Iranian media outlets, including a video clearly showing both ships in the Chinese port. 98 Western media confirmed the port call. 99

After departing Zhangjiagang, the 24th fleet proceeded to Sri Lanka, where it anchored offshore from the port of Colombo on March 21, 2013. There the 24<sup>th</sup> Fleet hosted a series of distinguished visitors and guests.<sup>100</sup>

This long range deployment to China and Sri Lanka served as a strategic engagement more than a validation of Iranian maritime combat capabilities. This is the longest range movement in the history of the Iranian Navy, at the far reach of Iranian logistics capabilities. Still, the fact that an Iranian destroyer and helicopter carrier went from Persian Gulf to the Pacific and back shows that Iranian vessels are in good material condition, and that they have the maintenance and supplies to get downrange and back.

Although there was no reported exercise interaction with the Chinese Navy, there was significant interaction between Iranian and Chinese Navy Officers. Video of the port call in China showed dozens of Chinese Navy officers visiting both Iranian ships, and the Iranian delegation visiting Chinese military and civilian leadership ashore. [10]

There are a number of reasons China and Sri Lanka are vital to Iran's long-term strategic plans. China is the single largest importer of Iranian oil, and remains a steady, if subtle, political ally at the United Nations. <sup>102</sup> China has played a significant role in the development of Iranian military capabilities, including its nuclear program. <sup>103</sup> Virtually all of Iran's anti-ship cruise missile capability



PHOTO 4 | IRIN HELICOPTER CARRIER KHARG (SOURCE: UKOWSKIONIRAN.COM)

is of Chinese manufacture or is based on Chinese technology transfer to Iran. <sup>104</sup> In addition to Chinese purchases of Iranian oil, there are significant financial ties between Iranian and Chinese manufacturers and banks. <sup>105</sup>

Numerous Chinese companies have been sanctioned by the U.S. Government for transferring both weapons and technology to Iran; prominent among these is the state owned China National Precision Machinery Import and Export Corporation, which has been sanctioned by both the U.S. State Department and the U.S. Treasury Department.<sup>106</sup>

In January of 2013, just off the coast of Yemen, the Yemeni Coast Guard, operating in cooperation with the US Navy, interdicted and seized a civilian smuggling vessel. That vessel, though crewed by Yemeni civilians, had departed from Iran and was carrying significant military cargo, including Chinese-made Man Portable Surface to Air Missiles (MANPADS).<sup>107</sup> The US and Yemeni authorities claimed that this particular vessel was resupplying Houthi rebels in Yemen, and seized it on those grounds.<sup>108</sup>

It is unlikely, however, that the Houthi rebels need MANPADS, since the Yemeni regime is not using aviation assets to prosecute their campaign against the rebels.

Rather, it seems more likely that there is a covert Iranian transshipment point in Yemen for military supplies and equipment elsewhere. There is an established maritime smuggling route from Iran to Sudan, a key transshipment point for Iranian resupply of both Hamas in Gaza and Hezbollah in Lebanon.<sup>109</sup>

Clearly there is an extensive and ongoing military technology relationship between Iran and China that goes beyond just manufactured equipment transfer. It is possible that the Iranian naval deployment to China was in service of this relationship. Of particular interest in this regard is the cargo capability of the Kharg. Although the Kharg is officially designated a helicopter carrier, it is not a purpose-built helicopter carrier. Rather, the Kharg was originally built in Great Britain as a replenishment ship intended for sale to Iran prior to the revolution in 1979; after legal maneuvering, it was eventually transferred to Iran in 1984. The Kharg is a purpose-built supply ship, capable of carrying heavy cargo, including weapons and ammunition and indeed helicopters, in secure conditions.

If the Chinese government wanted to transfer specific military equipment to Iran, and do so with the extra security that a military cargo ship provided, the Kharg would be a good vessel to carry heavy cargo including weapons and ammunition. Yet the smuggling of



PHOTO 5 | IRIN DESTROYER SABALA (SOURCE: Fars News Agency)

MANPADS on a dhow suggests that both governments would prefer to keep these technology transfers plausibly deniable by moving such equipment through smuggling vessels.

It is possible that the Kharg was carrying currency. China is paying for all the Iranian oil it is importing. U.S. sanctions against financial clearing houses have made it difficult for China to pay for Iranian oil in electronically denominated currency. III China has apparently paid for some of its Iranian oil in Chinese currency, the Yuan. 112 There has been some speculation that China has paid for Iranian oil imports with gold. 113 Currency and gold need to be moved physically if they cannot move electronically. It also is possible that the Chinese government is paying for Iranian crude oil via some type of barter; as evidence of this, cheap Chinese manufactured goods have flooded the Iranian domestic market recently. 114 A separate possibility is that China is paying for at least some of its Iranian oil imports by transferring critical weapons or technology to Iran, such as the Chinese SAMs intercepted off of the Yemeni coast.

If China is paying for some of its Iranian oil imports by bartering weapons or technology to Iran, the Kharg would be a perfect vessel to transport such items. While the Iranian government would not need to use a military cargo ship like the Kharg to transfer low cost manufactured goods from China to Iran, it would need to use a ship like the Kharg if the goods being transferred as barter were high value, politically sensitive weapons or munitions from China. The Kharg would be ideal for transferring such cargo; the presence of a heavily armed destroyer such as Sabalan would prevent any pirates from attacking the Kharg, and deter any foreign Navy from attempting to board. These same considerations apply if the purpose of the visit was to receive payment for Iranian oil in gold or cash. In this scenario, the Kharg would function as the cargo vessel, and the Sabalan would function as the armed escort.

As further evidence that the relationship between China and Iran is a long term strategic relationship, on March 21, 2103, the Chinese supertanker Yuan Yang Hu, which is owned by China's state owned Dalian Ocean Shipping Company, pulled up to Iran's Kharg Island facility in the Persian Gulf and onloaded two million barrels of crude oil; this is the first recorded instance since sanctions went into effect of Chinese tankers directly carrying Iranian crude oil. It Given that this was the first Chinese tanker to load oil at Kharg Island since sanctions started, and given that this happened just two weeks after the Iranian 24th fleet pulled into port in China, it is likely that these two events are related. The Yuan Yang Hu is apparently now committed full time to the Iran-China trade route; on May 31, 2013, the supertanker returned to Kharg

23

Island for a second load. 116

As a final indication of the depth of the relationship between Iran and China, on July 31, 2012, the U.S. Treasury Department designated the Chinese Bank of Kunlun as being in violation of sanctions for processing hundreds of millions of dollars in transactions for at least six Iranian banks. 117 China's Bank of Kunlun is a wholly owned subsidiary of China National Petroleum Corporation (CNPC), a state owned company. 118 CNPC is heavily invested in both Iranian and Iraqi oil field development. 119 This designation is significant because it coincided with a record amount of Iranian oil imported by China. In July of 2012, China imported approximately 590,000 barrels of oil a day from Iran, a significant increase over 2011 figures. 120 This designation is also significant, because it was the first time the US government directly confronted a Chinese state-owned company for violating sanctions. The Chinese government protested the action, with Chinese Foreign Ministry spokesman Qin Gang responding to the designation by stating that "China is strongly dissatisfied, is firmly opposed to it and will raise solemn representations to the U.S. from both Beijing and Washington."121 If the designation was intended to dissuade China from continuing its partnership with Iran, it failed; since this designation, Iranian oil exports to China have continued, the IRIN conducted a port call in China, and a Chinese state-owned supertanker has made two port calls at Kharg Island to load Iranian oil.

China and Iran have only deepened their relationship since this designation.

Although the Iranian Navy has not conducted any overt, direct, military-to-military contacts in the public sphere with North Korea, such as port calls, there is a significant relationship between North Korea and Iran. In many ways, China serves as an umbrella for this relationship, facilitating the exchange of hardware and technology between North Korea and Iran. 122 This military-tomilitary relationship between Iran and North Korea would be easy for the U.S. and its allies to disrupt if it was conducted directly. Because the relationship between North Korea and Iran is at least partially facilitated by China, it is much more difficult for the U.S. to disrupt it. The exchange of technology and hardware is most obvious in Iranian missile systems, many of which are derivative of North Korean systems. 123 Increasingly, North Korean and Iranian missile systems are based on mutually beneficial and coordinated research and benefit from Chinese cooperation and involvement. 124 The Chinese energy strategy in the Middle East is benefits from its increasingly close relationship with Iran. 125

In terms of the relationship with Sri Lanka, in 2012, over 90% of Sri Lanka's imported oil came from Iran. 126 This extensive economic relationship is alone reason enough for Iran to prioritize managing and expanding the strategic relationship. In June of 2013, Iranian Defence Advisor of the Islamic Republic of Iran Colonel



PHOTO 6 ADMIRAL PANTELEYEV AND ADMIRAL NOVELSKOY DOCKED IN BANDAR ABBAS (SOURCE: UKOWSKIONIRAN.COM)

Abrahim Rouhany called on the Commander of the Sri Lanka Navy, Vice Admiral Jayanath Colombage at the Naval Headquarters in Colombo. This visit came immediately after the Sri Lankan government was accused by the U.S. of violating sanctions by importing Iranian oil. Sri Lanka Economic Development Minister Basil Rajapaksa reacted negatively to the accusation, alleging that smaller countries such as Sri Lanka were being singled out for persecution, while larger countries in the region evaded punishment. Iran's relationship with Sri Lanka is neither as extensive nor as important as its relationship with China. Still, the port call to Colombo and the follow on visit from the Iranian Defence Advisor indicate that Iran intends to continue building economic and strategic ties with Sri Lanka.

<u>December 19, 2012: Russian Udaloy Class Destroyer</u> <u>Marshal Shaposhnikov docked at Bandar Abbas.</u>

Marshal The Russian Udaloy Class Destroyer Shaposhnivok docked in Bandar Abbas in December 2012, with heavy media interaction in Iran including television coverage of the event. 129 Although this was not an exercise, it is important for two reasons. First, this is a convenient stopover point for Russian ships from the Pacific fleet, homeported in Vladivostok, transiting to the Middle East or Mediterranean. The U.S. Navy has multiple overseas bases in the Middle East, including Bahrain in the Persian Gulf, and Diego Garcia in the Indian Ocean. The Russian Navy has no bases in the Indian Ocean or Persian Gulf. Having access to Bandar Abbas makes long range deployments for the Russian Navy to the region much more feasible. Although it is possible to deploy ships from Vladivostok to the Mediterranean without a secure port call enroute, having access to a port enroute with all the support elements of a military base makes that very long distance deployment part of a viable ongoing routine. Second, Russian Admiral Sergei Alekminsky indicates that this port call is the first of many for the Russian Navy in Iran, stating, "I hope that next year, by decision of the Ministry of Foreign Affairs, it will be possible to organize a visit of our ships to Iran ... There is a wish to see [the Iranian navy], because they are also developing."130

The port call by the Russian Navy in December of 2012 represents a significant shift in the dynamic between the Russian government and the Iranian government. The Russian government is actively supporting Iran and Syria politically at the UN; this statement indicates the intent

exists to expand passive political cooperation between Russia and Iran into active, ongoing military cooperation. The recent Russian decision to activate a standing navy task force in the Eastern Mediterranean will be supported by their use of Bandar Abbas as a logistics stopover point for Russian ships transiting from the Pacific Fleet to the Mediterranean and returning. Tall least six of the Russian ships currently in the Mediterranean are from the Pacific fleet; three of them stopped in Bandar Abbas for a port call in April, 2013.

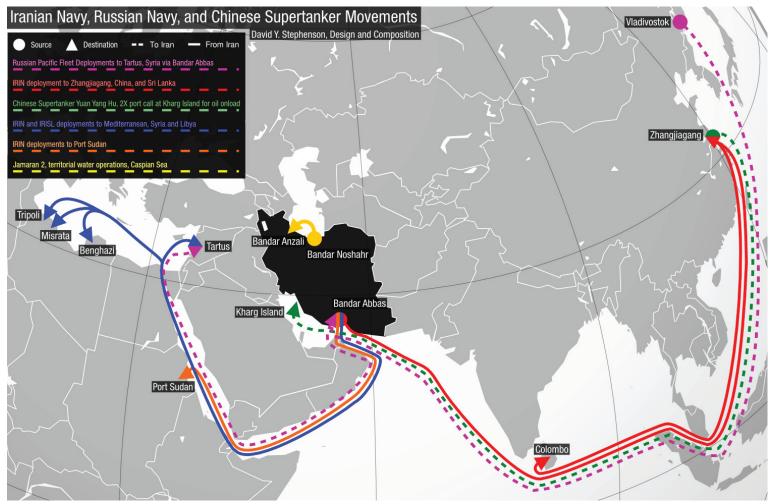
April 20, 2013: Three Russian Pacific Fleet Vessels docked at Bandar Abbas

Following the port call in December, three Russian ships from the Pacific Fleet pulled in to Bandar Abbas on April 20, 2013, en route to the Mediterranean, where they have since joined the newly formed Russian Mediterranean squadron. The flotilla consisted of the destroyer Admiral Panteleyev and the amphibious transport ships Peresvet and Admiral Novelskoy.

Shortly after these Pacific Fleet vessels arrived in the Mediterranean, Russian Navy Commander Admiral Viktor Chirkov indicated that the Russian Navy was planning on a permanent presence in the Mediterranean, stating, "Overall, we plan to have five or six warships and support vessels [in the Mediterranean Sea], which will be replaced on a rotating basis from each of the fleets — the Black Sea, Baltic, Northern and, in some cases, even the Pacific Fleet. Depending on the scope of assignments and their complexity, the number of warships in the task force may be increased." 134

Having access to the Iranian port facilities at Bandar Abbas as an en route logistics point will be extremely useful to the Russian Navy's plans to rotate ships from the Pacific fleet into the Mediterranean. Having a stopover point where ships can pull in and rest, refuel, and replenish supplies is a requirement for worldwide deployments. The Russian practice of pulling into Bandar Abbas midway between Vladivostok and the Eastern Mediterranean is functionally no different than the Iranian practice of pulling into the Colombo, Sri Lanka, halfway between Iran and China. To that end, the Russian Navy's activity in Bandar Abbas should not be considered a singular development, isolated from other regional issues.

These two strategically significant developments -



MAP 2 | IRANIAN NAVY, RUSSIAN NAVY, AND CHINESE SUPERTANKER MOVEMENTS

Russian port calls at Bandar Abbas and the establishment of a Russian standing naval task force in the Eastern Mediterranean are connected. Without assured access to Bandar Abbas, the Russian Navy cannot consistently move ships from the Pacific to the Middle East; with assured access to Bandar Abbas, the deployment of Russian Navy ships from Vladivostok to the Middle East and on to the Mediterranean is sustainable on an ongoing basis. That in turn enables the permanent creation of the Mediterranean task force, and permits advanced Russian arm sales to Syria.

### POTENTIAL USE OF IRIN AND IRISL FOR LOGISTICS SUPPORT

The Iranian regime is providing significant, ongoing, and essential support to the Assad regime in Syria, Hezbollah in Lebanon, and Iranian proxy organizations in both Syria and Lebanon. That support is rendered in a number of ways, including direct financial support, transfers of military equipment, supplies, and

ammunition, shared intelligence, and providing direct military training to leadership and personnel. On May I, 2013, the Institute for the Study of War (ISW) and the Critical Threats Project (CTP) of the American Enterprise Institute (AEI) published "Iranian Strategy in Syria," that details Iranian support to Syria, Hezbollah, and affiliated Iranian proxy groups. This study concluded that Iran's commitment to the Assad regime, Hezbollah, and Iranian proxies is intended to keep Assad in power as long as possible and ensure that even if Assad falls, Iran will still have significant influence in Syria and Lebanon.

The majority of Iran's supply of weapons and equipment is self-produced; the Iranian Defense Industries Organization (DIO), the industrial arm of the Ministry of Defense and Armed Forces Logistics (MOFADL), has a number of subordinate companies inside Iran that manufacture the vast majority of Iran's military equipage. DIO uses that industrial capacity to supply the Assad regime, Hezbollah, and Iranian proxy

organizations in Lebanon and Syria; as a result, the U.S. Department of Treasury has designated numerous organizations and individuals affiliated with DIO as being in violations of sanctions.<sup>137</sup>

While DIO produces most equipment, ammunition, and weapons that Iran, Syria, Hezbollah and Iranian proxies need, those supplies still require transport to the end user. IRIN and the Islamic Republic of Iran Shipping Lines (IRISL) are part of the Iranian supply chain for distribution of weapons, ammunition, and equipment.

#### Iranian Naval Support to Syria

The majority of Iranian materiel support to the Assad regime in Syria travels by air. <sup>138</sup> In addition to aerial resupply, Iran has, in the past, provided maritime resupply of Syria via Iranian Navy ships docking at Tartus, Syria. <sup>139</sup> This route of resupply, however, entails significant risk in that it requires Iranian vessels to pass through the Suez Canal, and travel in close proximity to Israel. Using the Iranian Navy to transport supplies to Syria via Sudan, and from there via overland smuggling routes, reduces the risk to the Iranian Navy.

Indications that the Iranian Navy is being used as a method of resupply for Syria are further supported by three observed Islamic Republic of Iran Shipping Lines (IRISL) port calls to Libya. While IRISL is ostensibly a commercial cargo line, it has been sanctioned by the U.S. Department of Treasury for extensive ties with

the Islamic Revolutionary Guards Corps (IRGC). 140 In practice, IRISL functions under the direct control of Iran's Ministry of Defense and Armed Forces Logistics (MODAFL). 141

#### February 2012 IRIN logistical deployment to Syria

Although Iran provides the majority of its logistical support to Syria via air transfer, IRIN did validate its ability to conduct a long-range maritime supply of Syria by the deployment of the Iranian destroyer Shahid Qandi and the cargo ship Kharg to the Mediterranean in February of 2012. Those IRIN ships transited the Suez Canal and proceeded to pull pierside at the Russian Naval Facility in Tartus, Syria. 142 This deployment was similar to an IRIN deployment to Syrian in 2011, conducted by the Iranian destroyer Alvand and the cargo ship Kharg. 143 These long-range deployments by IRIN to the Mediterranean show that the Iranian regime is extremely flexible in how it supports and moves supplies to Syria, Hezbollah, and its proxy organizations. Now that Russia has established a standing navy squadron in the Eastern Mediterranean, and established a routine of port calls at Bandar Abbas, the ability of IRIN to deploy to the Mediterranean opens up the possibility of Russian-Iranian naval cooperation in support of their common ally, Syria, with Russia's naval base at Tartus providing support.

It is clear that the Iranian regime has long term interests in the Mediterranean; these two IRIN deployments to



PHOTO 7 | HELICOPTER CARRIER KHARG TRANSITING THE SUEZ CANAL (SOURCE: UKOWSKIONIRAN.COM)

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the Mediterranean show that Iranian regime has the capability and the strategic ambition to deploy ships to the Mediterranean and use those ships to convey supplies to allies, or load supplies for transfer back to Iran.

#### August - September 2012 IRISL Ships Sail to Libya

In September, 2012, at least three IRISL ships that had been designated by the U.S. Treasury Department as being in violation of sanctions sailed to the Mediterranean, where they pulled pierside or anchored off of the three Libyan ports of Benghazi, Sirte, and Misrata. 144 At least one of the IRISL ships, the Parmis, departed from Bandar Abbas, Headquarters of the IRIN and IRGCN, and made intermediate stops in Dubai and Egypt before proceeding to Libya. IRISL ships fly civilian "flags of convenience," from a number of different nations, but in reality, they are a functional subsidiary of the IRGC. 145 It is possible that the IRISL ships in Libya were not delivering weapons or ammunition to any group there, but were instead taking receipt of weapons purchased on the open market. After Qaddafi's regime

in Libya collapsed, a significant amount of weapons and ammunition formerly under his control was dispersed to whoever could seize or buy it. The UN released a report in April 2013 that indicated weapons from Libya had been transported to Mali, Syria, Sinai, and a number of other regions. <sup>146</sup> Although Iran manufactures most of its own weapons, equipment, and ammunition, it is possible that IRISL ships traveling amongst Libyan ports in September of 2012 were there to pick up purchases of Libyan arms from the open market, and from there for further transport to the Assad regime in Syria, Hezbollah in Lebanon, and other Iranian proxies.

#### Ongoing Iranian Navy Port Calls, Port of Sudan

The Iranian Navy pulls into Port of Sudan on a regular basis. This serves several strategic interests of the Iranian regime. First, there is a significant, ongoing smuggling route running from Iran to Sudan, then overland through Egypt into the Gaza strip. This is the primary resupply route for Hamas, and is typically resourced with multiple small private cargo ships emanating from Iran.



PHOTO 8 | IRIN HELICOPTER CARRIER BUSHEHR DOCKED IN PORT SUDAN (SOURCE: IRINN)

According to a 2011 US Congressional Research Report, "Smugglers ship weapons up the Red Sea through Sudan and then overland through the Sinai desert until they reach tunnels in the divided town of Rafah." <sup>147</sup>

By transferring most small weapon and ammunition shipments via multiple small ships, the Iranian regime makes it virtually impossible for the U.S. Navy and NATO allies to interdict the flow. Western Navies are equipped with relatively large surface ships that are optimized for long-range, long-duration deployments, but are simply too big to effectively interdict the thousands of private cargo dhows active in the Gulf of Oman, Gulf of Aden, and Red Sea. Iranian Navy port calls to Port Sudan maintain the strategic relationship between the Iranian regime and Sudan. As long as the strategic relationship between Sudan and Iran is intact, Sudan will allow a permissive operating environment for smugglers operating near the Port of Sudan and Sudanese Red Sea coastline.

However, small smugglers cannot provide adequate shipping or security for certain outsize military cargo, including larger surface-to-surface rockets. The Iranian regime uses cargo ships of the Islamic Republic of Iran Shipping Lines (IRISL) for that sort of transfer. IRISL has been designated by the U.S. Department of Treasury as being in violation of multiple violations of regulations relating to ongoing sanctions. It Is In June, 2011, the Manhattan District Attorney (DA) released a 317 count indictment against IRISL. In it, the DA stated, "Today our office is shining a spotlight on the fraudulent activities of IRISL, which has been sanctioned by the United States, the European Union, and the United Nations for its role in the proliferation of weapons of mass destruction." Its Islamic Provided Nations for its role in the proliferation of weapons of mass destruction."

By conducting regular port calls to Port of Sudan, Iranian Navy vessels maintain access for IRISL ships to do the same. One of the recent port calls by the Iranian Navy included the Bushehr, which was originally purposebuilt for IRISL by the Iran Shipbuilding and Offshore Industries Complex Co. (ISOICO) as a cargo vessel, but has since been redesignated as an IRIN naval vessel. 150

If the Iranian regime has outsize cargo bound for Hamas via Sudan that is too big to be shipped via private smugglers, or too valuable to be shipped via IRISL, the Bushehr is a suitable vessel to move such cargo. Because it is a purpose built cargo ship, it can carry any large cargo that Iran's Defense Organization Industry (DIO) produces; because

it is an IRIN vessel, US Navy and NATO vessels will probably not take the provocative step of boarding and searching it. Although the US Navy regularly boards and searches private dhows in the Red Sea, Gulf of Aden, and Gulf of Oman, it does not do so with IRIN vessels. <sup>151</sup> In the below picture, the Bushehr — with what appears to be a 30 mm cannon on the foredeck — pulls pier-side in Port Sudan on December 08, 2012. <sup>152</sup>

Because there is always some risk of interdiction by the U.S. Navy and its NATO and EU partners, Iran has bypassed some of that risk by setting up munitions factories in Sudan. In October of 2012, the Israeli Air Force (IAF) conducted a long-range strike against a large munitions factory in Khartoum, Sudan. Although Sudan and Iran denied that the munitions factory had any links to Iran, political leadership of the Sudanese opposition insisted that the factory was designed, built, and owned by Iran's Islamic Revolutionary Guards Corps (IRGC). Based on the extensive record of Iranian transfers of weapons and ammunition through Sudan, it is likely that both IRISL and IRIN ships were used to transport the equipment and supplies needed to build and equip the factory.

Over the last eight months, IRIN has conducted at least four formal port calls to Port Sudan.

DATE	LOCATION	SHIP, TYPE
October 29,	Port Sudan <sup>155</sup>	Kharg, helicopter
2012		carrier / cargo
		Shahid Naqdi,
		destroyer
November 30,	Port Sudan <sup>156</sup>	Jamaran, destroyer
2012		December 1 alicement
		Bushehr, helicopter
		carrier / cargo
December 8,	Port Sudan <sup>157</sup>	Jamaran, destroyer
2012		   D
		Bushehr, helicopter
		carrier / cargo
May 23, 2013	Port Sudan <sup>158</sup>	Jamaran, destroyer

Three of the four port calls that IRIN conducted to Port Sudan during this time period included a helicopter carrier / cargo ship. The routine presence of a heavy cargo ship indicates that the port calls may be used to transfer cargo between Iran and Sudan.

The significant, ongoing military to military contact between IRIN and Sudan suggests that Iran sees its

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relationship with Sudan as an important part of its regional strategy and a key enabler for logistical support for Iranian allies and proxies.

#### CONCLUSION

The Iranian regime has among its strategic objectives expanding its power in the Middle East and rolling back U.S. influence in the region. Its significant military exercises, strategic engagements with partners, and the provision of materiel and funding to its allies and proxies are undertaken with the intent of furthering these goals. Although Iran has decreased the size, scope, and intensity of some of its maritime exercises, it has done this as part of a considered strategy to increase long range naval deployments and strategic engagements with key partners, not as a result of inadequate resources.

The Iranian Navy is nevertheless still focused on its immediate environs, especially the Straits of Hormuz. By conducting short- to medium-range maritime exercises that reinforce territorial claims to the disputed Tunb Islands and Abu Musa, the Iranian regime portrays itself to its domestic audience as acting from a position of strength, standing up for historical Iranian claims, and defending the territorial integrity of the state. This portrayal of strength is also intended to influence an international audience - Abu Musa and the Tunb islands are excellent strongpoints from which to conduct asymmetric warfare operations. High level political and military delegation visits to the islands convey the importance of the Iranian claims to both domestic and international audiences. As a practical matter, reinforcing claims to these islands conveys significant potential revenue from expanded underwater mineral rights. Perhaps most importantly, from a strategic perspective, clear ownership of the islands would give Iran a much stronger position in this important waterway. The U.S. and others do not acknowledge Iranian assertions that it can legally close navigation of the Straits, but in a conflict environment this may be a moot point if Iran is able to take advantage of these strategically located islands.

Iran's exercises in the near abroad also fit into its strategy for the Caspian and Caucasus region. Iran wants to increase its territorial claims from 12% to 20% of the Caspian Sea in order to increase its share of the mineral rights and lucrative fisheries there. Iran supports this claim by dedicating significant industrial resources to build relatively large, high-capacity ships such as the Jamaran-2 destroyer, and conducting maritime

exercises. Iran strengthens this claim by leveraging its relationship with Russia into cooperation in the Caspian Sea. Both Russia and Iran see tension between states on the Caspian Sea as a purely regional issue, and cooperate in opposing international influence. <sup>159</sup> In contrast, Azerbaijan welcomes international influence in the region, and is an active member of the NATO Individual Partnership Action Plan (IPAP). <sup>160</sup>

Along with these practical considerations in the Caspian Sea, Iran wants to extend its influence northward into the Caucasus. Although Iran's strategic ambition of power projection is most apparent in the Persian Gulf and the land corridor running from Iran through Iraq to Syria and Lebanon, Iran also tries to exercise significant social, religious, and cultural influence over the majority Shia population of Azerbaijan. Iranian territorial ambition in the Caspian Sea and its desire to exert influence over the majority Shia population of Azerbaijan are emboldened by its growing strategic relationship with Russia as well as China.

Despite the fact that Russia and Iran do not have identical interests in the Caspian and Caucasus region, they have enough in common to cooperate on specific priorities, such as banding together in opposition to the proposed Trans Caspian Gas Pipeline. 162 This pipeline, supported by the United States, would run underneath the Caspian Sea, and then transit Azerbaijan, Georgia, and Turkey before reaching its terminus on the Mediterranean coast, where it would enter the international markets. 163 Iran's support of Russian ships at Bandar Abbas is being reciprocated by Russia in the Caspian Sea, as Russian Navy officials have announced their Caspian Sea Fleet HQ at Astrakhan will be opened for Iranian ships to visit. 164 Russian and Iranian naval cooperation in the Persian Gulf and Mediterranean is now extending to the Caspian Sea as well. Russian and Iranian strategic cooperation in Syria is now being replicated with strategic cooperation in opposing the US supported Trans Caspian Pipeline. The strategic relationship between Russia and Iran is not static it is growing in both intensity and geographic reach.

Specific individual Chinese interests in the Caspian region align with Iranian and Russian interests. China needs secure sources of natural gas. The Trans Caspian Pipeline — which would take gas to the West, away from China — would not serve this purpose. Although China has declined to join Iran and Russia in open opposition to the Trans Caspian Pipeline, China has invested in two competing pipelines, the Kazakhstan-China oil pipeline and the

Turkmenistan-China gas pipeline (also known as Central Asia-China gas pipeline) which would deliver oil and gas to China. Although China, Russia, and Iran do not overtly align their strategies in the Caspian and Caucasus, they have enough in common that they find specific areas of cooperation where they can work together.

Long range deployments to the Pacific Ocean show that IRIN has reached a higher level of professionalism and proficiency over the past several years. By deploying at a distance and conducting a high visibility port call in China, IRIN conveys strength to the Iranian domestic audience, and portrays itself as a stable, reliable partner to China. The strategic relationship between China and Iran continues to flourish, with China importing record amounts of Iranian oil, and even committing state owned Chinese supertankers to take on Iranian oil at Kharg Island. This growing economic cooperation is in addition to the significant amount of previous military to military cooperation between the two countries, including technology transfer, weapons transfer, and Chinese assistance to the Iranian nuclear program. Chinese energy strategy in the Middle East is diversified, but its primary source of energy is Iran. 166 Iran serves Chinese needs for secure sources of crude oil, which enables Chinese strategic ambitions in the Pacific Rim. 167 China serves Iran's needs for access to North Korean and Chinese military hardware and technology, which enables Iranian strategic ambitions in the Middle East.

Long-range deployments to the Mediterranean also serve a strategic purpose, providing logistical support to Syria and Lebanese Hezbollah. Most Iranian logistical support for Syria has been conveyed via air cargo, especially during the opening phases of the air campaign and the Battle for Damascus. The fact that Iran has a second line of communication to Syria via IRIN and IRISL deployments adds strategic depth to the relationship with Syria, especially when those deployments validate Iran as a reliable maritime partner for Russia. Russia intends to keep its newly formed Mediterranean squadron as a standing force, rotating ships from as far away as the Pacific fleet; in preparation for this, two Russian Navy port calls to Bandar Abbas have already taken place.

SADRA, a heavy shipbuilding company owned by IRGC, recently built a supertanker, the Sorocaima, for export to Venezuela. This ship is the largest ship ever produced in the Middle East. <sup>169</sup> The Iran military industrial complex continues to produce significant weapons and ammunition

for allies and proxies. Much of these weapons and ammunition are conveyed via the long-established route through Sudan. Ongoing, recurrent IRIN port calls to Port Sudan reinforce the strategic relationship between the two countries, as well as Iran's commitment to arming its proxies throughout the Levant and Arabian Peninsula. Juxtaposing these significant events and others of strategic importance yields this timeline, which shows numerous significant events in close proximity.

Although Iran's clear observable near term strategic priority is expanding its power in the Middle East, the significant and growing Iranian relationship with both Russia, China, and North Korea (vis-a-vis China) suggests that Iran has global ambitions. IRIN has already conducted deployments to the Mediterranean and Pacific. IRIN engagements and port calls at Sri Lanka suggest they are laying the foundation to make these deployments to the Pacific a recurrent activity, using Sri Lanka as an enroute port call. Russian Navy port calls at Bandar Abbas suggest Russian Navy Pacific Fleet ships will be using Bandar Abbas as an enroute port call to the Mediterranean. IRIN has established port call procedures at the Russian Navy base Tartus; the groundwork is in place for IRIN to now conduct repeated deployments to both the Pacific and Mediterranean. Iranian leadership has called for IRIN deployments to the Pacific. Iran is not isolated. On the contrary - Iran is continuing engagements with numerous allies and partners, and expanding its strategic ambition, not reducing it.

The events on this timeline and described in this paper lead to the conclusion that Iran has a considered, clear ambition of regional power and influence in the Middle East combined with worldwide influence exercised by its proxies. Iran is skillfully using its maritime assets to realize this ambition. Iranian strategic ambition is growing as is its relationship with strategic partners, allies, and proxies, and its maritime exercises and engagements reflect this.

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