

UPDATE FOR DDCI

12 April 1989

## IRAN-IRAQ PEACE TALKS

We expect the Iran-Iraq peace talks to be protracted, but believe that the war-weary countries are unlikely to resume hostilities this year. The talks continue to be stalled.

--Iraq refuses to withdraw its troops from Iranian territory until Tehran agrees to an exchange of all POWs and dredging of the Shatt al-Arab waterway. Iran insists that Iraq must first withdraw its troops and reaffirm the 1975 Algiers Accord between the two countries-- which for the first time granted Iran joint sovereignty with Iraq over the Shatt-- before the exchange of prisoners or the issue of dredging is discussed.

--We believe that progress is unlikely while Iran is undergoing domestic political turmoil. [REDACTED]

Formal negotiations on the ministerial level are scheduled to resume on 20 April in Geneva under the direction of the UN Secretary General, and will probably last one-to-two weeks.

--The USSR is trying to inject itself into the talks and has told Iran it favors a simultaneous implementation of all of the provisions of UN Resolution 598. Tehran and Moscow have held a series of high-level talks on the negotiations.

--Tehran probably sees the Soviet mediation efforts as an opportunity to put pressure on Iraq, but Baghdad will continue to resist Moscow's efforts to become a player in the peace process. [REDACTED]

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Status of Forces and Activity along the Iran-Iraq Border

The ceasefire along the Iran-Iraq border continues to hold with no major artillery exchanges for the past two weeks. Tensions remain at high levels along the southern front, however, due to continued Iraqi occupation of Iranian territory and Iranian engineering efforts--including flooding of Iraqi forward positions--to improve their defensive position. There has been no major reduction in forces deployed on either side of the border. Iranian forces continue to reconstitute themselves with several brigade- and division-sized units returning to near full-strength over the past two months. [REDACTED]

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