

Iran to Get Money Back

By [The Moscow Times](#)

October 07, 2010

The  Moscow Times

NICOSIA, Cyprus – Russia plans to pay back a \$166.8 million advance payment from Iran for S-300 air defense missiles after canceling the sale to comply with UN sanctions, a top Russian official said Thursday.

President Dmitry Medvedev banned the delivery of the high-precision air defense system last month, saying it would violate sanctions adopted by the UN Security Council in June.

The United States and Israel had urged Moscow to scrap the deal, fearing Iran could use the system to protect nuclear facilities that they suspect are part of a weapons program.

"We received an advance on this contract of \$166.8 million," Sergei Chemezov, head of the state corporation that runs Russia's weapons exporter, told reporters in Cyprus. "We are not obliged to return another kopek beyond this. ... We have annulled the contract, and we will return advance payments."

Chemezov heads Russian Technologies, which owns the Russian arms exporter

Rosoboronexport.

Russia has used the missile contract as a lever in diplomacy with Iran and the Western nations pressing to punish Tehran over its nuclear program, which Iran says is intended exclusively for power generation.

Moscow's support for a fourth round of UN sanctions was part of a gradual shift closer toward the tougher stance that the United States and European Union have taken toward Iran.

Russia, which has built Iran's first atomic power plant, supports Western efforts to make Iran prove its nuclear research is purely peaceful, but strongly opposes any use of force.

Iran is Russia's biggest trading partner in the Middle East. Bilateral trade totaled \$3 billion in 2009, of which Russian exports — mainly ferrous metals, cars and arms — accounted for 93 percent.

Original url: <https://www.themoscowtimes.com/2010/10/07/iran-to-get-money-back-a2027>