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# US-Iran ceasefire agreement to be public soon, permanent truce still awaits negotiation

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## Summary Companies

- Deal to be formally signed in Switzerland on Friday
- Iran's nuclear programme to be tackled in later talks
- Oil prices slip to new three-month lows
- Israel's conflict with Hezbollah remains a complication

EVIAN-LES-BAINS, France/DUBAI, June 16 (Reuters) - Details began to emerge on Tuesday of the U.S. and Iran's interim agreement to end the [war in the Middle East](#), with U.S. President Donald Trump saying it will rule out a nuclear weapon for Tehran and a U.S. official saying it allows Iran to sell oil upon signing.

The [memorandum of understanding](#) signed this week, though yet to be made public, extends a tenuous ceasefire announced in April by another 60 days to allow the warring countries to negotiate a permanent truce.

The Reuters Iran Briefing newsletter keeps you informed with the latest developments and analysis of the Iran war. Sign up [here](#).

Under the deal, the U.S. will end its blockade of Iran's ports while Tehran will restore the passage of oil tankers and other maritime traffic through the Strait of Hormuz, which it has effectively blocked since the U.S. and Israel launched strikes on February 28.

The U.S. president said the agreement states clearly that Tehran will not have a nuclear weapon and the full text would be made public in a formal setting in a few days.

Iran has long said that it will not develop a nuclear weapon and that its nuclear program is for peaceful purposes only.

Trump has given shifting rationales for attacking Iran, but appears to have achieved little of what he has said he wanted: Iran's theocratic government remains in place, its ballistic missile program has not been dismantled, and it has not ended its support for anti-Israel militias like Hezbollah.

The accord [exposes Trump](#), a Republican, to criticism from within his own party ahead of midterm elections in November. Meanwhile Iran's leaders could face [renewed protests](#) if they fail to ease economic pressures after a destructive war.

Israel has not directly participated in the negotiations and has distanced itself from both the April ceasefire and the latest U.S.-Iran agreement, adding uncertainty to whether the new ceasefire will hold.

The war has affected most countries in the region, killing more than 7,000 people, mostly in Iran and Lebanon, which Israel invaded in March after Iran-allied Hezbollah joined the fighting.

U.S. Vice President JD Vance said that the agreement included Israel and Lebanon, contradicting Israeli Prime Minister Benjamin Netanyahu, who said on Monday that [Israel is not bound by it](#), and will not withdraw from southern Lebanon. A Hezbollah spokesperson told Reuters the group believed [Iran would not agree to a permanent truce](#) if the Israeli occupation was not ended.

Iran's military command, Khatam al-Anbiya Central Headquarters, warned that Israel should expect a hard response if it did not stop its attacks on southern Lebanon.

A senior U.S. official said the agreement allows Iran to immediately begin selling oil and fuel, and included banking, transportation and insurance services to facilitate the sales.



[1/2] Iranian people in a park with a view of Milad Tower, in Tehran, Iran, June 15, 2026. Majid Asgaripour/WANA (West Asia News Agency) via REUTERS [Purchase Licensing Rights](#)



U.S. and Iranian officials say the deal could eventually deliver substantial economic benefits to Iran by lifting sanctions and unfreezing foreign assets. It could also set up a \$300 billion reconstruction fund, paid for by neighbouring [Gulf states](#) that host U.S. military bases and were hit by Iranian attacks during the war, if Iran complies with other terms.

### DIFFICULT TALKS PENDING

In the coming 60 days, negotiators will return to difficult issues like the future of [Iran's nuclear program](#), which Tehran was discussing with Trump officials in February until those negotiations were interrupted by the U.S. decision to launch the war.

Two other issues that [Trump and Netanyahu](#) used to justify the war appear not to be on the agenda: ending Iran's support for regional armed militia groups and curbing its missile program.

Trump has publicly criticized Netanyahu and expressed frustration at Israel's military campaign, saying on Tuesday he was "not happy" with the way Israel had handled itself.

"Iran wants to get it done," Trump told reporters about the next phase of negotiations with Iran, a sentiment he has repeated since the war's earliest days. "They have to get back to business, and the relationship is now normalized, so I think it's going to go pretty quickly." Earlier he [described the deal](#) as "a wall to a nuclear weapon" for Iran.

Iran signed an agreement to sharply curtail its uranium enrichment efforts in 2015 with the U.S. and other countries, but the agreement fell apart after Trump unilaterally withdrew the U.S. in his first term. That led to Iran creating a stockpile of highly enriched uranium that Trump says he wants removed or destroyed.

Speaking at the [G7 meetings in France](#), Trump said he liked the idea of sending the Iran agreement to lawmakers in the U.S. Congress for review after [some of his fellow Republicans complained](#) they were being left in the dark. Trump has faced criticism from some lawmakers for not getting authorization from Congress for the war, which is broadly unpopular among Americans.

[Oil prices slid](#) more than 2% to new three-month lows on Tuesday, a day after tumbling nearly 5% following news of the deal, though industry officials say Middle East oil and gas output [will take months](#) to fully recover.

### CAUTION OVER SHIPPING

Both sides say the Strait of Hormuz, which normally carries about one-fifth of the world's trade in oil and liquefied natural gas, will be open from Friday, but shipping companies say they will wait to see if peace holds.

On Tuesday, Iranian state television reported operations to lift its maritime blockade, while stressing that vessels must still coordinate with Iran's Revolutionary Guards.

The U.S. said the strait would be open toll-free for 60 days and it would expect that provision to be part of a final agreement. Iran has suggested it will retain control with Oman over the strait.

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