Ambassador Stephen D. Mull's Remarks SFRC Hearing on Implementation of the JCPOA Thursday, December 17, 2015

Chairman Corker, Ranking Member Cardin, distinguished Members of the Committee – I appreciate the opportunity to provide an update on the status of implementation of the Joint Comprehensive Plan of Action, or the JCPOA.

My name is Ambassador Steve Mull. I have served as a career member of the Foreign Service for 33 years. Shortly after the JCPOA was concluded, Secretary Kerry asked me to return to Washington from my last post as U.S. Ambassador to Poland to serve as Lead Coordinator for implementing the JCPOA. In this job, I'm leading a terrific team of colleagues within the Department of State, as well as at the Departments of Energy, the Treasury, and Commerce, among others, to make sure that the JCPOA is fully implemented to enhance the security of our country, and that of our friends and allies around the world.

I am pleased that two of my colleagues, Department of Energy Undersecretary for Nuclear Security and Administrator of the National Nuclear Security Administration, General Frank Klotz, and Assistant Secretary of State for International Security and Nonproliferation, Tom Countryman, are here with me today.

As you all know, our government continues to engage Iran on a host of issues unrelated to this nuclear deal. For example, we continue to raise concerns about Iran's actions when it comes to its support for terrorism or human rights abuses. But my job is focused solely on the critical task of making sure the JCPOA achieves its one, crucial objective – preventing Iran from obtaining a nuclear weapon. When fully implemented, the JCPOA will dramatically scale back Iran's nuclear program and provide unprecedented monitoring and verification tools to ensure that it is exclusively peaceful moving forward.

Steady progress is being made toward this objective. October 18th marked Adoption Day under the JCPOA when the deal formally came into effect. On this day, all participants began making the necessary arrangements for implementation of their JCPOA commitments.

This included Iran informing the International Atomic Energy Agency – the IAEA – that it would provisionally apply the Additional Protocol and fully implement Modified Code 3.1, which provides for early declaration of nuclear facilities before

they are built, starting on Implementation Day. These are two important mechanisms which will ensure the international community has much greater insight into Iran's nuclear program than it's ever had before.

The P5+1 and Iran have also issued an Official Document outlining the plan for redesigning the Arak Heavy Water Research Reactor so that it will not produce weapons-grade plutonium. And the United States and European Union have taken actions to lift nuclear-related sanctions upon reaching Implementation Day.

Implementation Day is the next major milestone in the JCPOA. It will occur only after the IAEA verifies that Iran has completed all of the key nuclear steps specified in the JCPOA. These are the technical steps that push Iran's breakout time to at least a year, from the current estimate of less than 90 days. At that time, Iran will receive relief from U.S., EU, and UN nuclear-related sanctions. The timing for reaching Implementation Day is primarily within Iran's control. However, I reiterate that Iran will receive no sanctions relief under the JCPOA until it has verifiably met all of its key nuclear commitments.

Since Adoption Day, Iran has been working to fulfill its commitments and reach Implementation Day making tangible progress on a number of key commitments. For example, Iran has begun dismantling its uranium enrichment infrastructure by removing thousands of centrifuges and transferring them for storage under continuous IAEA surveillance. It has already removed more than 5000 of its machines and is likely to move quickly to remove the rest in the coming days.

Iran is also making progress on reducing its stockpile of various forms of enriched uranium to no more than 300 kg of up-to-3.67% enriched material. It will accomplish this primarily by shipping a significant amount of such material outside Iran, while also diluting the remaining excess to the level of natural uranium or below. Commercial contracts are in place for Iran to ship its enriched uranium stockpiles to Russia. We expect that this material – approximately 25,000 pounds of material enriched up to 20 percent LEU – could leave Iran as soon as later this month. This step alone will significantly lengthen Iran's breakout time.

As I have briefed members of this Committee before, Iran must also remove and render inoperable the existing calandria – or core – of the Arak Reactor by filling it with concrete before Implementation Day can occur. These actions will effectively cut off Iran's ability to produce weapons-grade plutonium. Iran and the P5+1 are also continuing work to advance the redesign and reconstruction of the Arak

reactor. The P5+1 have set up a working group to facilitate this project, which we expect will begin to meet soon after the New Year.

Regarding the Possible Military Dimensions of Iran's past nuclear program – an issue on which I know you all have been very focused – on October 15, the IAEA announced that Iran had fulfilled its commitments under the "Roadmap for Clarification of Past and Present Outstanding Issues" as agreed to with the IAEA. Subsequently, on December 2nd, the IAEA Director General released the "Final Assessment on Past and Present Outstanding Issues regarding Iran's Nuclear Programme."

The report confirmed what the international community has long known – that Iran had a structured nuclear weapons program up until 2003 and there are no indications that it is continuing today. This candid assessment gives us further confidence that the IAEA will perform its duties related to the JCPOA honestly and vigorously.

And just this week, on December 15, the IAEA Board of Governors in a special session adopted by consensus a resolution addressing the Director General's report on PMD. This resolution, submitted by the P5+1, turns the Board's focus from confirming what we already knew about Iran's past weapons-relevant nuclear activities toward fully implementing the JCPOA. This will give the IAEA much better tools for deterring and detecting weapons-related activities in the future.

We also continue to work closely with the IAEA as it makes preparations to implement the JCPOA's unprecedented monitoring and verification provisions of Iran's entire nuclear program. The IAEA will have continuous monitoring of all of Iran's key declared nuclear facilities. This includes its uranium mills as well as its centrifuge production facilities, a first for the IAEA. These measures specific to the JCPOA will give us increased confidence Iran is not diverting material or equipment to a covert program. We've always said that this deal isn't based on trust but on intense verification of Iran's program. That's why we're working so closely with the IAEA to make sure it has everything it needs to do this crucial job going forward.

Meanwhile, we continue to engage with our international partners on other matters pertaining to implementation of the JCPOA and reaching Implementation Day. U.S. experts continue to meet with our P5+1 partners and others, including the EU and Iran, on setting up the procurement channel – the mechanism by which the Joint Commission and United Nations Security Council will review and approve or

disapprove transfers of NSG-controlled items and technology for Iran's nuclear and non-nuclear civilian industry, as well as any other items if a State determines it could contribute to activities inconsistent with the JCPOA.

And on sanctions, we continue to work within the US government, as well as with the EU and others, to make the necessary arrangements to lift nuclear-related sanctions once the IAEA confirms Iran has completed its key nuclear commitments and we reach Implementation Day.

Full implementation of the JCPOA is in our and our partners' national security interest. It will place Iran's nuclear program under an unprecedented verification and monitoring regime, and when fully implemented it will give the international community the tools necessary to ensure that Iran's nuclear program is exclusively peaceful going forward. It will make us, Israel, our Gulf partners, and the whole world safer.

We look forward to continuing to engage with this Committee and with Congress more broadly on this important topic. I, along with my colleagues, look forward to answering your questions today.

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