

WRITTEN STATEMENT
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Chairman Kerry, Ranking Member Lugar, distinguished Members of the Committee: thank you for inviting me here today to discuss the Administration’s approach to the multiple threats posed by Iran – by its nuclear ambitions, its support for international terrorism, its destabilizing activities in the region, and its human rights abuses at home. I am delighted to be joined by Under Secretary David Cohen.

American policy regarding Iran is clear: First and foremost, we are determined to prevent Iran from acquiring nuclear weapons. Iran’s illicit nuclear activity is one of the greatest global concerns we face. Since this Administration took office, we have built and led a global coalition to create the toughest, most comprehensive set of sanctions to date on the Iranian regime. President Ahmadinejad himself recently characterized our sanctions as “the heaviest economic onslaught on a nation in history.”

Our policy leverages the power of multilateral action and of likeminded countries to pressure Iran to comply with its international obligations, coupled with an offer to engage diplomatically in the P5+1 context if Iran is serious about negotiating and addressing our and the world’s concerns about its nuclear program.

Our policy has been effective: in January 2009, Iran appeared internally united and regionally influential, while the international community was divided on how to address Iran’s nuclear activities. Today, after three years of increasing international pressure, the regime is regionally isolated, and the international community is united in its determination to prevent a nuclear-armed Iran. This reversal is due in part to the measures taken by the United States and our allies to exact steep costs on Iran and its efforts to acquire nuclear weapons. By refusing our offer to engage, Iran has demonstrated that it is responsible for our current impasse, and we have

mobilized broad support to hold Tehran accountable for its deceptive behavior.

Just ten days ago, we intensified the pressure on Iran in three ways: The President signed an Executive Order targeting the development of Iran's petroleum resources and maintenance or expansion of its petrochemical industry. Second, State and Treasury designated 11 individuals and entities for facilitating Iran's proliferation activities, including four entities identified by State as key nodes in Iranian missile and nuclear procurement networks. This action brings the total to over 280 designations under Executive Order 13382. Finally, the Administration identified Iran as a jurisdiction of primary money laundering concern under Section 311 of the USA PATRIOT Act. This finding makes clear that doing business with any part of the Iranian financial sector, including Iran's Central Bank, private Iranian banks, and subsidiaries operating outside Iran, risks doing business with a financial system that shelters money launderers and terrorists.

These new actions augment the broad portfolio of tools already provided by the Congress. Using the new authority provided by the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, the Department of State imposed the first sanctions ever under the Iran Sanctions Act, as amended, and has designated ten firms for investing in Iran's energy sector or providing refined petroleum to Iran since 2010. Under the Iran, North Korea, and Syria Nonproliferation Act (INKSNA), the State Department sanctioned 16 foreign companies in May, including entities in China, Venezuela, and Belarus. We will continue our vigilance on the regime's serious human rights abuses, and have already sanctioned 11 senior Iranian officials and three entities, including the Islamic Revolutionary Guard Corps, under Executive Order 13553, which was issued in 2010. All of these sanctions demand a whole-of-government approach and the Department of State works closely with the Department of the Treasury. My colleague, Under Secretary Cohen, and I can elaborate further on our work together.

The key to this and all we have done over the last two and a half years is that we are not alone. The same day that we announced our measures, the UK and Canada adopted similar sanctions to isolate Iran's financial sector. Today, the European Union will meet to formalize additional sanctions on roughly 200 individuals linked to Iran's proliferation activities. On November 18, the International Atomic Energy Agency Board of Governors

responded to the latest Director General's report by passing a resolution urging Iran to come clean about the possible military dimensions of its nuclear program. The United States rallied the P5+1 members to co-sponsor the resolution, which was adopted overwhelmingly and sent the message that Tehran's pursuit of nuclear weapons is unacceptable. On that same day, the UN General Assembly sent its own message by adopting Saudi Arabia's resolution condemning the assassination plot against its Ambassador to the United States. Co-sponsored by more than a fourth of all UN Member States, the resolution condemned attacks against diplomats and called on Iran to comply with its international obligations. As we learned from cases around the world, sanctions are most effective when they are multilateral, and that is what we have seen with Iran as well.

All of this is taking place in the context of global transition. Europe is concerned about its economic situation and the vision of a united continent. Among the P5+1, Russia has parliamentary elections in December and presidential elections in March, with Prime Minister Putin expected to return to the presidential office. France has Presidential elections later in the spring. China is looking inward as it manages its own succession politics. Meanwhile, governments in the region continue to have grave concerns about Iran's nuclear intentions: not only Israel, but also Saudi Arabia and other Gulf states watch with intensity what Iran does and what we do in response. These factors pull in often divergent directions regarding our approach to Iran, but we continue to coordinate robust actions with our partners to prevent Iran from acquiring nuclear weapons.

It is clear that, as a result of the measures we have already taken in lock step with the international community, the Iranian regime feels isolated and vulnerable, not emboldened. This is true, not just in the case of our European allies but in Iran's own backyard. Iran has failed to co-opt the Arab uprisings, despite its efforts to take advantage of them, and alienated itself by supporting Bashar al-Asad's brutal repression of Syrian citizens. While we, the Arab League, Turkey, the EU, and others support the legitimate demands of the Syrian people, Iran occupies a lonely and indefensible position as Asad's ally. The burning of Iranian flags in the streets confirms that Syrians know Iran is not on their side. We will continue to support Syrians' desire for a government that reflects their aspirations, not Iran's. Once Asad finally does go, Iran will be alone in the region, more isolated than ever—a fact that cannot have escaped either regime's leadership. Iran also hopes to project its negative influence into

Iraq after our withdrawal. However, Prime Minister Maliki said he will not tolerate violence by militant groups, including those backed by Iran, and we will continue to work to strengthen Iraqi security forces' capabilities.

Beyond the international community's concerns with Iran's nuclear program, we continue to expose Iran's egregious human rights situation, which serves to deepen Iran's isolation from the world community. On November 21, for the ninth year in a row, the UN General Assembly's human rights committee rebuked Iran for its serious human rights abuses, by the largest margin ever. We welcome the UN Special Rapporteur for Human Rights for Iran highlighting the regime's systematic repression of its citizens' freedoms. We continue to collaborate with world leaders, religious groups, and NGOs to address violations of religious freedom.

We assist those Iranians who want to hold their government accountable by offering training, media access, and exchange programs. We will be opening Virtual Embassy Tehran to provide Iranians with accurate information about our policy, visas, and U.S. educational opportunities. We also engage Iranians through social media, including a Farsi Facebook page and a Twitter account, and through our broadcasting tools, Voice of America Persian and Radio Farda. We are taking measures to prevent Iran from jamming satellite signals, and to approve software licenses that facilitate the free flow of information. These actions make clear our sincere desire to engage the Iranian people and further expand the internal debates among the Iranian leadership.

We share the Congress' concern about Iranian behavior and we will work with you. Working with allies to strengthen implementation of existing sanctions and to expand sanctions to exploit new regime vulnerabilities, and maintaining P5+1 consensus offers our best way forward to pressure Iran. We want to work with you to ensure we have the means and the flexibility to accomplish this while avoiding unforeseen consequences and sustaining the unprecedented multilateral coalition we have assembled in opposition to Iran's nuclear ambitions. Within that framework, we welcome your ideas to help us continue to increase the pressure for a change in Iranian behavior.

Thank you, and I look forward to your questions.