WRITTEN STATEMENT AMBASSADOR WILLIAM J. BURNS UNDER SECRETARY OF STATE FOR POLITICAL AFFAIRS Senate Foreign Relations Committee Hearing "Iran Policy in the Aftermath of UN Sanctions" June 22, 2010

Chairman Kerry, Ranking Member Lugar, Distinguished Members of the Committee: thank you very much for inviting me to be here before you today.

This hearing comes at a pivotal moment for U.S. policy toward Iran. Only two weeks ago, we adopted United Nations Security Council Resolution 1929, the sixth such resolution on Iran, and the fourth which commits the international community to implementing the most comprehensive sanctions that the Iranian Government has ever faced. This resolution represents the culmination of months of concerted effort and the realization of a truly multilateral partnership focused on pursuing a diplomatic resolution to the threat posed by Iran's nuclear ambitions. The measures contained in this resolution underscore the determination of President Obama to prevent Iran from developing nuclear weapons and to reinforce global norms and institutions of nonproliferation – a resolve that today is shared by the international community.

Resolution 1929 sends a clear, global message of what is expected from Iran, and the consequences for Iran's decision to shirk its responsibilities to the global non-proliferation regime. It strengthens existing UN sanctions by expanding the breadth and reach of those measures and breaks new ground with additional categories of sanctions. It provides a platform upon which states can build to advance the objectives of the Resolution, as our EU and Australian partners did last week. Adoption of this resolution is only one milestone in international actions on this front. Secretary Clinton announced that senior State Department official Bob Einhorn will coordinate our vigorous efforts to work closely with our partners and allies to ensure these sanctions are fully enforced and built upon. And all our agencies – State, Treasury, and others –will continue to take action under our existing domestic authorities to sharpen Iran's choices, as Secretary Geithner did last week in imposing sanctions on twelve entities and four individuals under proliferation-related sanctions authorities.

This is also an important time for those decision-makers in Tehran who are in a position to shape the future of the Islamic Republic and its relationship with the rest of the world. Only a year ago, Iran was convulsed by massive public outrage and activism protesting election results. Millions of Iranians came to the streets last June and in smaller numbers over the course of the ensuing months with a simple but powerful demand of their leaders – that their government respect the rights enshrined within its own constitution, rights that are the entitlement of all people – to voice their opinions, to select their leaders, to assemble without fear, to live in security and peace. The government has been able to contain the public opposition, but only through the use of intense intimidation wielded against individuals and the burgeoning civil society that has struggled to survive under a repressive leadership. As a result, Iran's government today is facing profound pressure on multiple fronts. Navigating these realities will require Iranian leaders to decide what kind of future they want for their country.

A nuclear-armed Iran would have grave implications for vital American interests in the stability of the Gulf region and broader Middle East. The concerns evoked by Iran's determined expansion of its nuclear capabilities are only underscored by the destabilizing character of its regional foreign policy – its longstanding financial and operational support to terrorist organizations such as Hezbollah, Hamas and Palestine Islamic Jihad; its cultivation of militancy, instability and violence in Iraq and Afghanistan; and its hate-mongering rhetoric on Israel and the Holocaust. As President Obama said on June 9, "actions do have consequences. And whether it is threatening the nuclear non-proliferation regime, the human rights of its own citizens, or the stability of its neighbors by supporting terrorism, the Iranian government continues to demonstrate that its own unjust actions are a threat to justice everywhere." And therefore we will remain active in responding to these Iranian policies across the region, and through innovative programs, on advancing human rights and democracy and seeking to expand access to information within Iran. We will continue our efforts to coordinate with our allies on their own security, to promote more effective regional cooperation, and to buttress those states and political forces who are seeking to build a better more peaceful future for the region.

Our policy seeks to prevent Iran from developing nuclear weapons, counter its other destabilizing actions, and advance our broader interests in democracy, human rights, and development across the Middle East. Over the course of the past 18 months, we took unprecedented steps to demonstrate to Tehran the possibilities available through cooperation and engagement. Iran failed to take advantage of any of these historic opportunities – Iran has left unanswered President Obama's outreach efforts, rejected a balanced and generous IAEA offer to refuel its Tehran Research Reactor (TRR), and has flatly and repeatedly refused to engage in negotiations to address international concerns regarding its nuclear program. Instead, Iran continues and expands its enrichment activities to include enriching uranium to nearly twenty percent, announces plans for the construction of new enrichment facilities, and continues to deny the IAEA full access and information regarding – among other places – the previously secret facility at Qom. Iran remains in noncompliance with its IAEA Safeguards Agreement; refuses to suspend all its uranium enrichment-related, reprocessing, and heavy water-related activities as required by the UN Security Council; and has yet to cooperate fully with the IAEA's ongoing investigation, including by answering questions regarding the possible military dimensions of its nuclear program. For these repeated acts of non-compliance with Iran's obligations, and as we had always foreshadowed, we demonstrated our seriousness about the second track of our two-track strategy.

The sanctions imposed under UNSCR 1929 achieve two important priorities – they minimize the impact on average Iranians, while imposing real penalties on Iran's nuclear and destabilizing military programs and those who support them. At the same time, they also make it harder for Iran to continue its destabilizing activities and seek to inhibit its development of nuclear weapons capability and the means to deliver them. The scope and strength of 1929 speaks to the depth of international concern about Iran's path and is a testament to the genuinely constructive partnership we have developed with our P5+1 partners. We believe that the resolution, and the close coordination among the international community to implement it, will send two vital messages to Tehran: that Iran's nuclear program does not enhance its security and comes at an ever greater cost, and the world is united around an effort to change Iran's calculus.

Resolution 1929 enhances existing UN sanctions by expanding the breadth and reach of those measures and at the same time breaks new ground with additional categories of sanctions to further pressure Iran to comply with its international nuclear obligations. 1929 reinforces the Security Council's longstanding demand that Iran suspend its enrichment program and other proscribed nuclear activities, and it imposes measures in several broad categories:

- It reaffirms the necessity of Iranian compliance with its IAEA obligations and its full cooperation with IAEA investigations;
- It bans Iran's investment in sensitive, including uranium mining, nuclear and ballistic missile-related activities abroad;
- It imposes new binding restrictions on Iran's import of eight broad categories of heavy weapons, and requires vigilance and restraint in the transfer of all arms and related materiel to Iran;
- It bans all activities related to Iran's ballistic missiles capable of delivering nuclear weapons;
- In order to deter, detect and stop Iran's smuggling and acquisition of sensitive nuclear items and prohibited arms and related materiel, the resolution calls upon all states to inspect Iranian cargo, and notes that states may request inspections on the high seas consistent with international law and the consent of the flag state;
- It includes provisions to help block Iran's use of the international financial system particularly its banks to fund proliferation;

- It alerts states to the potential link between Iran's energy sector revenues and energy-related technologies and its nuclear and proliferation activities;
- It addresses the activities of the Islamic Revolutionary Guard Corps, whose elements have been involved in proliferation by sanctioning the largest and most significant enterprise owned by the IRGC, the Khatam al-Anbiya Construction Headquarters, and 14 other IRGC-related companies;
- It establishes a UN Panel of Experts to help monitor and enforce sanctions implementation;
- The resolution also includes three annexes of specific entities and individuals subject to targeted sanctions (asset freeze/ travel ban). The resolution more than doubles the number of designated entities subject to an asset freeze and imposes an asset freeze and travel ban on one individual. Thirty-five additional individuals previously subject to "travel vigilance" will now be subject to a travel ban. With the adoption of this resolution, there are now 75 entities subject to an asset freeze and 41 individuals subject to an asset freeze and travel ban.

Let me emphasize that sanctions are not an end in themselves. Our foremost objective – one that is shared by our international partners and our allies in the region – is a durable diplomatic solution to the world's concerns about the Iranian nuclear program and the broader issues at stake with Iran. UN Security Council Resolution 1929 offers Iran a clear path toward the suspension of existing sanctions. It is an unambiguous one: Iran must fulfill its international obligations, suspend its enrichment-related, reprocessing, and heavy water-related activities, and cooperate fully with the IAEA. The choice to reconsider its options and adopt a more constructive course is one that Tehran alone can make. As the P5+1 stated upon the adoption of resolution 1929, we remain ready to meet immediately with Iran on its nuclear program, and on other issues of mutual concern. EU High Representative Cathy Ashton already has reiterated the offer to Iran to meet with the P5+1 for that purpose. We hope Iran will take advantage of this standing opportunity. Two weeks ago the United States, France, and Russia responded jointly to IAEA Director General Amano regarding Iran's proposal on the TRR, including our concerns with that proposal. The TRR proposal remains a potential opportunity in the context of the broader P5+1 efforts to address Iran's nuclear program.

As we bear witness to the one-year anniversary of Iran's disputed presidential elections, we reaffirm our commitment to stand up for those who seek to exercise their universal rights. One year later, as the detentions and prosecutions proceed unabated, we will continue to call on the leaders of the Islamic Republic of Iran to meet their responsibilities to their people by respecting the fundamental rights afforded them. In fact, just this week, we joined 55 other nations in rebuking Iran for its atrocious human rights record at the Human Rights Council.

In the wake of the Iranian government's violent suppression of dissent, closure of opposition news papers, and overwhelming use of intimidation and force to prevent free assembly, the United States has taken steps to facilitate the free expression of Iranian citizens. As part of that effort, the U.S. government is pursuing ways to promote freedom of expression on the Internet and through other connection technologies. We are working around the world with over 40 companies to help individuals silenced by oppressive governments, and have made Internet freedom a priority at the United Nations as well. State and Treasury have worked to issue a general license that allows free market downloadable communications software – email, chat, blogging – available inside Iran. Our programming is also focusing on allowing innovative projects that support free expression and access to information via the internet.

Let me note here our deep and continuing concern for the safety and well being of all American citizens currently detained or missing in Iran. We urge the Iranian government to promptly release Shane Bauer, Sarah Shourd, and Josh Fattal, and all other unjustly detained American citizens so that they may return to their families. We also call upon Iran to use all of its facilities to determine the whereabouts and ensure the safe return of Robert Levinson.

The Iranian government will not change its course overnight. We have no illusions about the obstacles before us. But we and the best of the international community have renewed our determination to sharpen the choice before Iran's leadership. Addressing international concerns about its nuclear program and meeting its international obligations can open up important opportunities for Iran and its remarkable people. Continued failure to do so only makes Iran less secure, less prosperous, and more isolated.