
**IRAN NUCLEAR
NEGOTIATIONS:
STATUS OF TALKS
AND THE ROLE
OF CONGRESS**

Wednesday, January 21, 2015

UNITED STATES SENATE
COMMITTEE ON FOREIGN RELATIONS
114TH Congress, First Session

WITNESSES

HON. ANTONY J. BLINKEN, Deputy Secretary of State, U.S. Department of State, Washington,
DC

HON. DAVID S. COHEN, Under Secretary for Terrorism and Financial Intelligence, U.S.
Department of Treasury, Washington, DC

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COMMITTEE ON FOREIGN RELATIONS
WASHINGTON, D.C.

1 The committee met, pursuant to notice, at 9:33 a.m., in Room SD-419, Dirksen
2 Senate Office Building, Hon. Bob Corker, chairman of the committee, presiding.

3 **PRESENT:** Senators Corker [presiding], Risch, Rubio, Johnson, Flake, Gardner,
4 Purdue, Paul, Barrasso, Menendez, Boxer, Shaheen, Coons, Udall, Murphy, Kaine, and
5 Markey.

OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

6 **THE CHAIRMAN.** So I am going to call the — call the meeting to order. And I would
7 say to people in the audience that we would appreciate you refraining. We understand
8 people have strong emotions about much of what happens in this committee and
9 others, and we hope you will respect the work of the committee.

10 I have never operated a gavel. I learned as a young man how to operate a
11 hammer. I understand my staff told me to be a little more gentle with this, but I want to
12 welcome — I want to welcome everybody to the committee.

13 We switched sides. That was not symbolic. I understand just because of the
14 number of seats, it works better this way.

1 I do want to welcome the new members to the committee and say that under
2 Senator Menendez's leadership, I really believe that this committee has caused its
3 profile to rise. We have passed a number of very important pieces of legislation out of
4 this committee, and I think it is because of his leadership that that has happened. And I
5 want to thank him for that.

6 I want to say to all of the committee members that we plan certainly to build
7 upon that. We have a number of very important issues to deal with. The Nation has
8 put its trust in us to deal with these issues in a sober way, and I think that the issue
9 today that we will be talking about really causes us to remind ourselves of the
10 indispensable nature of U.S. leadership.

11 I think the committee has, like any committee, we have important things to deal
12 with, and we have urgent things to deal with. And we need to do both. Important is
13 for us to continue as a committee to show that the importance of strategic U.S.
14 engagement and how that improves our economy and makes us safer here at home.

15 At the same time, we need to make sure that our taxpayer dollars are spent
16 wisely. And so, while it will take some time to build, I would like for us to work
17 towards a State Department authorization. I think all of us know that we have not
18 passed one since 2002.

19 So what that means is the State Department is basically operating off of policies
20 that we passed 13 years ago. And if we really want to leverage our efforts, what would

1 make sense — and I look forward to working with Ranking Member Menendez in this
2 way — would be for us to ensure that what the State Department is doing is leveraging
3 those kind of things that we would like to see happen.

4 I do not want to shy away from difficult issues. This first hearing certainly is
5 evidence of that. I want to make sure that the views of all committee members are
6 heard. I want to make sure that we strengthen our Nation in the process.

7 Today, we are here to talk about Iran. And I want to say to our witnesses thank
8 you for being here. I think there are legitimate concerns by almost everybody on this
9 committee, and it is not in any way disloyal. It is not an infringement upon anybody
10 else to say that we have legitimate concerns.

11 And when you think about where we are in the Iran negotiations, so we had six
12 U.S. security resolutions — U.N. security resolutions that called for full suspension of
13 enrichment. We then moved to this standard called practical needs. In other words, if
14 you are in Iran and you have — if you want to do enrichment, even though that is in
15 violation of the U.N. Security Council resolutions, what is the practical needs of the
16 country?

17 And by all estimation, that is maybe 500 centrifuges. And yet we know the
18 negotiations have moved way beyond that. We know that.

1 We talked about dismantlement, and we have concerns of what dismantlement
2 now means. Some people are saying that means simply unplugging or disconnecting
3 the plumbing, to use very coarse terms.

4 People are concerned about research and development. We spend a lot of time
5 talking about IR-1s and IR-2s, and yet we know the Iranians are way beyond that — we
6 are talking about IR-6, IR-7 — way beyond that in research and development. The
7 agreement itself does not speak at all to ballistic missile development. Significant
8 concerns for all of us.

9 And we believe that — although I am not this is the case. I had a meeting last
10 night, and maybe this is not true, and I know that some of you can enlighten us here
11 today. But we are concerned about what we are really going to cause Iran to do relative
12 to their past military dimensions. I think most of us think they were way down the
13 road in their military development up until 2003, and I think we would like to
14 understand the type of technology that they have developed.

15 And I know this, and you all have shared this with us in all kinds of meetings,
16 they still are stiff-arming the IAEA relative to access to many of their facilities, which
17 obviously continues to cause us to have great concerns about their trustworthiness.

18 I think all of us know they are destabilizing the region. We watch what is
19 happening in Yemen. We watch what is happening with Hezbollah in Iran. We watch
20 what is happening with Hamas. We know that they are — even with the minor

1 amounts of money that has been lessened from the sanctions regime that Senator
2 Menendez and Senator Kirk and all of us worked together to put in place, even with
3 that minor amount of money, we know that that has enhanced their ability to
4 destabilize the region. We know that.

5 And you can imagine if we end up with a really bad deal that ends up creating a
6 nuclear arms race in the region and makes the world less safe and yet much more
7 money is released, they can even destabilize the region more. So, obviously, there are
8 significant concerns.

9 I am proposing some legislation — and I look forward to hearing from you all
10 today, and we are vetting it with people on this committee — that builds off the 123
11 agreements that we have in place right now. Senator Markey is very familiar with this.

12 But we — 27 times this Nation has approved a 123 agreement with another
13 nation under a civil nuclear arrangement where we — you all reach an agreement with
14 a country, and we approve it. Secretary Kerry came in and said that he wants to make
15 sure that any agreement that happens passes muster with Congress. I would like to
16 understand today how you would like to see us pass muster.

17 One way to do it is an up-or-down vote. I know there has been a lot of
18 discussions, and I do not know if Senator Menendez will speak to this, a lot of
19 discussions about what we might do, what we might not do. I have talked to Prime

1 Minister Cameron. I talked to the U.K. — excuse me, European Union negotiator last
2 night in my office. Some of us were in Israel this weekend over this very same issue.

3 We have heard no one, no one say that if Congress were to weigh in on the final
4 agreement it would have anything — it would in any way destabilize the negotiations.

5 And as a matter of fact, we understand that Iran's parliament may have to approve their
6 agreement.

7 So I hope today you will share with us the appropriate role for us to play. We
8 obviously have our own thoughts. We thank you for being here.

9 And with that — I am sorry to give such a long opening comment — to the
10 Ranking Member Menendez.

**STATEMENT OF HON. ROBERT MENENDEZ,
U.S. SENATOR FROM NEW JERSEY**

11 **SENATOR MENENDEZ.** Well, thank you, Mr. Chairman.

12 And let me also welcome our new colleagues on the committee. This is an
13 extraordinary committee to serve on, which is a confluence of both the national security
14 of the United States, the national economic imperatives of the United States in the
15 global context, as well as major issues for which America is exceptional on democracy,
16 human rights, among other issues. So I welcome you, and I think you are going to find
17 it an extraordinary experience.

18 Since this is the first hearing that we have had of the new committee as
19 assembled, I want to congratulate the chairman on his ascendancy to the chairmanship.

1 I want to say that during the 2 years that I was chairman, we worked extraordinarily
2 well in a collaborative fashion. And in the midst of partisanship in the Senate as a
3 whole, this committee was an island of bipartisanship on so many major issues that
4 overwhelmingly passed the committee in almost every instance with strong bipartisan
5 support.

6 And we look forward to working with you in the same context, with the same
7 comity, and with the same goals at the end of the day. And we look forward to you
8 having a very successful chairmanship of the committee.

9 I want to, in the context of the hearing, say that I share your concerns that the
10 Iranians are playing for time. Over the past 18 months, we have been moving closer to
11 their positions on all key elements — on the Arak reactor, on Fordow, on enrichment,
12 and on Iran's disclosure of the military dimensions of its nuclear program.

13 And I think we need to review how we got to this point. Iran, over the course of
14 20 years, deceived the international community and violated not U.S., but U.N. Security
15 Council resolutions to arrive within weeks of achieving nuclear breakout capacity. And
16 Iran came to the table only after the cumulative impact of years of sanctions began to
17 affect the regime's economic and political stability.

18 For us to give up the leverage of sanctions, which would take years to reimpose,
19 we need a deal that truly reverses their nuclear program rather than just buying a little
20 time. This is why I am concerned about more than breakout time.

1 I am concerned the agreement will not provide a clear picture of the military
2 dimensions of Iran's program, which are critical to understand to know how far down
3 the road they were as it relates to weaponization so that we understand the timeframes
4 of any breakout capacity vis-à-vis weaponization. So that we know just how close Iran
5 is to being able to make a nuclear weapon.

6 And I am concerned that instead of dismantling and closing Arak and Fordow,
7 as we were told was going to be the case at the beginning of these negotiations by the
8 administration, the Arak reactor will now be converted to some form and Fordow, a
9 facility built under a mountain, which I do not think you do for civilian purposes, will
10 be repurposed.

11 After 18 months of stalling, Iran needs to know that there will be consequences
12 for failure. Now some of us believe those consequences should be additional sanctions.
13 While we are playing nice, however, Iran is playing an asymmetrical game, violating,
14 in my view, the spirit and intent of sanctions.

15 In November, Iran violated the interim agreement by feeding uranium gas into
16 its IR-5 centrifuge at the Natanz research facility. The issue of whether this was a
17 violation of the interim agreement is only an issue because at the time of the interim
18 agreement the IR-5 had not been used for enrichment, and hence, the agreement only
19 prohibited Iran from making advances on the IR-6. That is spin if I have ever heard it.

1 But in any case, the action clearly violated the intent of the agreement to halt
2 enrichment advances at Natanz, and it violated IAEA and U.N. Security Council
3 resolutions. And it is interesting to note, as we are talking about verification
4 agreements — should we be able to get an agreement — that it was a group of scientists
5 outside of the administration that noticed this and were the ones to inform the
6 administration about it. So that makes me worried about our verification processes
7 moving forward.

8 In December, the U.N. panel of experts that monitor sanctions compliance said in
9 a report that Iran has been illicitly trying to buy technology for the Arak research
10 reactor, which, as originally designed, would produce plutonium for a bomb and has
11 been referred to by experts as a bomb-making factory because of the quantity of
12 plutonium output.

13 Under the interim agreement, Iran agreed to make no further advances in the
14 construction at Arak. Iran's position is that any purchases alone would not contravene
15 the agreement, only new construction. Well, if you believe that, I have a reactor to sell
16 to you.

17 And just last week, Iranian President Rouhani announced that construction had
18 begun on two new nuclear reactors at Bushehr. While not a technical violation of the
19 Joint Plan of Action, the announcement is clearly intended to leverage further gains in
20 the negotiation.

1 And the very next day, the Iranian regime announced that Washington Post
2 correspondent Jason Rezaian, who has been in prison for 178 days, had been referred to
3 the revolutionary court that handles sensitive national security cases. As The
4 Washington Post said in a recent editorial, it is difficult to avoid the conclusion that Mr.
5 Rezaian is being used as a human pawn in the regime's attempt to gain leverage in the
6 negotiations.

7 So we have this whole alternate track that the Iranians can cheat on, but because
8 it is technically not in the Joint Plan of Action, well, we do not call them on it. That is a
9 great — that is a great opportunity if you can get it. That you can advance your
10 interests outside of the JPOA and "not violate" the JPOA.

11 So let me close by saying Iran is clearly taking steps that can only be interpreted
12 as provocative. Yet the administration appears willing to excuse away any connection
13 between these developments and signs of Iran's bad faith in negotiations.

14 It seems that we are allowing Iran to shuffle the deck and deal the cards in this
15 negotiation and that we are playing dealer's choice. Frankly, that is not good enough.
16 We need to get into the game.

17 Now up until now, Iran has not been motivated sufficiently to make tough
18 decisions, and I hope there will be an agreement in March. But I also believe we need to
19 make clear that there are consequences to no deal or to a bad deal, as Senator Corker is
20 referring to, and I am intrigued by his most recent concept of his legislation.

1 So, Mr. Chairman, thank you for holding the hearing, and I will look forward to
2 hearing from our witnesses.

3 **THE CHAIRMAN.** Thank you, Mr. Ranking Member. I am not used to calling you
4 that yet.

5 And to the other members, I want to say we do not normally give those long
6 comments on the front end. They are usually a little shorter. This is obviously one that
7 evokes a lot of concern.

8 We are going to be having — the committee will operate by early bird rule. If
9 you are here when the gavel goes down, you will know what order you are in. We have
10 watched people come in and sit and wait as other people come in and out.

11 But in order to show we are not going to be totally rigid, I know that Senator
12 Boxer has a meeting. We do not normally have other opening comments. She is not
13 going to ask questions later. But since she has to go to another meeting, she wanted to
14 say a couple of words on the front end, and I am going to allow her to do that.

15 Thank you.

**STATEMENT OF HON. BARBARA BOXER,
U.S. SENATOR FROM CALIFORNIA**

16 **SENATOR BOXER.** Mr. Chairman, thank you for your generosity of spirit.

17 Senator Inhofe called our organizational meeting for EPW down the hall, and I
18 have to be there. And I so appreciate this.

1 I want to thank both my chairman and ranking member now for this hearing.
2 We are all here today with the same goal, and that is to prevent Iran from acquiring a
3 nuclear weapon. But we have different thoughts about the best way to do that, and that
4 is why this hearing is so critical. And we welcome the witnesses as well.

5 Well, we have an historic opportunity to peacefully achieve this goal. And to me,
6 it seems like you have got to give this diplomacy a chance to work. I think it is only
7 common sense. As President Obama said, war should be a last resort, not a first resort.
8 And a peaceful end to Iran's nuclear program, I believe, is in the best interests of
9 America and in the best interests of our great ally Israel.

10 And that is why I am concerned, and it is not partisan. I have a concern that
11 reaches across party lines that some colleagues are pushing to enact new sanctions
12 while our negotiators are still at the table. I do not believe that strengthens us. It does
13 not strengthen our position at all, and these negotiations are going on right now.

14 In fact, I think if we enacted that legislation, we would jeopardize a chance, a
15 once-in-a-lifetime perhaps chance of having a far-reaching, final, comprehensive
16 agreement, which we know is going to be hard. Our own President has said it is a 50/50
17 chance. He is not, you know, wearing rose-colored glasses on the point.

18 Our own intelligence community said, and I quote, "New sanctions would
19 undermine the prospects for a successful comprehensive nuclear agreement with Iran."

1 And passing new sanctions legislation would threaten the unity we have
2 achieved with the world, and that is critical. I want to quote British Prime Minister
3 David Cameron, who said last week, "As a country that stands alongside America in
4 these vital negotiations, it is the opinion of the United Kingdom that further sanctions
5 or further threat of sanctions at this point will not actually help to bring the talks to a
6 successful conclusion. They could fracture the international community that has been
7 so valuable in presenting a united front to Iran."

8 And I think a new sanctions bill would give Iran an excuse to walk away. I think
9 it says to Iran, to the hardliners, you see you cannot really deal with America.

10 Now in the end, they may not be able to, and we might not be able to either. It is
11 all — life is about timing. We all know that. We ran. We got our seats because of
12 timing. Everything is about timing, and this is not the time.

13 So, in closing, let me say I oppose the legislation I have seen so far. I have not
14 seen the new proposal. I look forward to seeing it. But I am working on legislation
15 with Senator Paul to send a clear, unequivocal signal that Iran will be held accountable
16 for its actions, and any failure to fulfill its commitments will be met by swift action by
17 Congress.

18 So our bill, in essence, would allow expedited consideration by Congress of
19 legislation to reinstate waived or suspended sanctions against Iran if the President, in

1 consultation with the intelligence community, determines that Iran has violated any
2 existing nuclear agreement.

3 Senator Paul and I are putting the final touches on this bill. We think it is a
4 moderate proposal because I think we are going to see perhaps three options. One
5 option, which would essentially do nothing but just have a series of findings, which I do
6 not think goes far enough, and one that perhaps moves too quickly toward sanctions.

7 So Senator Paul will be working on that with me, put the finishing touches. We
8 are very excited to share it with our chairman and ranking.

9 Mr. Chairman, I thank you so much for this opportunity.

10 **THE CHAIRMAN.** Thank you. Thank you.

11 Just to be clear before we move to the witnesses, there has been a lot of confusion
12 about what this committee does and what the Banking Committee does. Any sanctions
13 legislation it has been determined will be dealt with in the Banking Committee —

14 **SENATOR BOXER.** Right.

15 **THE CHAIRMAN.** — because of the Treasury functions. So this committee, I think,
16 will be looking at ways for Congress to weigh in. And one of those is just for us to
17 approve, up or down, the final deal, which is what we do on every civil nuclear deal
18 that comes our way. Certainly, this is of greater importance.

19 But with that, I want to thank everyone for their comments. I want to move to
20 the witnesses. Thank you for your patience.

1 Our first witness is Tony Blinken, the Deputy Secretary of State. Mr. Blinken
2 assumed his post after being confirmed by the Senate in December. He is a former
3 Deputy National Security Adviser to the President and has previously served as the
4 Democratic staff director of this committee from 2002 to 2008. Welcome back.

5 Our second witness today is David Cohen, the Under Secretary of Treasury for
6 Terrorism and Financial Intelligence. Mr. Cohen has been in his position since 2011 and
7 has recently been appointed Deputy Director of the CIA. He has previously served as
8 Assistant Secretary of the Treasury for Terrorist Financing, where I think he has done an
9 outstanding job.

10 I want to thank you both for being here and sharing your thoughts and
11 viewpoints with us today. We would remind you that your full statements, without
12 objection, will be included in the record. If you could keep your remarks to around 5
13 minutes, we would appreciate it. I know there will be numbers of questions.

14 So thank you again for being here. We look forward to your testimony.

**STATEMENT OF HON. ANTONY J. BLINKEN, DEPUTY SECRETARY
OF STATE, U.S. DEPARTMENT OF STATE, WASHINGTON, D.C.**

15 **MR. BLINKEN:** Mr. Chairman, Ranking Member Menendez, thank you very much
16 for having us here today.

17 Mr. Chairman, congratulations to you on assuming the chairmanship. I am very
18 glad you are wielding the gavel, not the hammer, but very much look forward to

1 working with you, the ranking member, and all the members of this committee going
2 forward.

3 And I think it is very appropriate that you are starting the hearings here today in
4 this Congress on the subject of Iran and the nuclear negotiations. It is an issue of
5 paramount importance to our national security and an issue that we have labored on
6 with Congress for years.

7 Secretary Kerry, Under Secretary Sherman, as you know, and our entire
8 negotiating team were in Geneva last week as part of the effort to get to an agreement
9 where Iran's nuclear program we can be sure is used for exclusively peaceful purposes.
10 And I want to you about where we are with that today.

11 I will give you as much detail as I can. It may be appropriate at a later stage to
12 do some of this in a closed setting, given that the negotiations are ongoing and it is hard
13 to get into some of the detail in public without undermining our negotiating position.

14 We remain committed to continue and indeed, when necessary, to expand the
15 regular consultations we have had with Congress and particularly with this committee
16 on these negotiations. We share the same goal, to make the world a safer place by
17 resolving the international community's concerns about Iran's nuclear program.

18 Our core goals for the negotiations are clear and consistent. Any agreement we
19 reach must effectively cut off the four pathways Iran has to obtain enough fissile
20 material for a nuclear weapon — the two uranium pathways through its activities at

1 Natanz and Fordow, a plutonium pathway through the Arak heavy water reactor, and a
2 potential covert pathway.

3 Any agreement must require stringent access, monitoring, transparency
4 measures to maximize the international community's capabilities to detect quickly any
5 attempt by Iran to break out overtly or covertly. Any agreement must give us
6 confidence that should Iran choose to break its commitments, it would take at least 1
7 year to produce enough fissile material for a bomb. And any agreement must deal with
8 some of the issues that you and Ranking Member Menendez alluded to, including the
9 missile question, R&D, possible military dimensions of the program, et cetera. And we
10 can talk about that in questioning.

11 In exchange, the international community would provide Iran with phased
12 sanctions relief tied to verifiable actions on its part. Such relief would be structured so
13 that the sanctions could be quickly reimposed if Iran were to violate its commitments.

14 The discussions last week with Secretary Kerry, in our judgment, were
15 substantive. They were serious. We have made real progress on closing some of the
16 gaps that separate us. But at the same time, real gaps remain. I would be happy, again,
17 to provide further information on exactly where we are, along with Ambassador
18 Sherman and others, in a closed setting so we can go into more detail.

19 Overall, our assessment remains that we have a credible chance to reach a deal
20 that is in the best interests of America's security as well as that of our allies and

1 partners. Our goal is to conclude the major elements of the deal by the end of March
2 and then to complete the technical details by June.

3 In our judgment, we are negotiating from a position of strength. In the past, Iran
4 has used the cover of talks to buy time and advance its program in significant ways.
5 Thanks to the interim agreement we have reached, the so-called Joint Plan of Action, or
6 JPOA, Iran's program was fundamentally frozen in many key respects, rolled back in
7 some others, and international inspectors have been given extraordinary access.

8 Before the JPOA, Iran had about 200 kilograms of 20 percent enriched uranium in
9 a form that could be quickly converted into weapons-grade material. It produced much
10 of that material at the Fordow facility, which, as the Ranking Member Menendez says,
11 is very deep underground.

12 Today, Iran has no 20 percent enriched uranium, zero, none. It has diluted or
13 converted every ounce, suspended all uranium enrichment above 5 percent, removed
14 the connections at Fordow that allowed them to produce the 20 percent in the first
15 place.

16 Before the JPOA, Iran was making real progress, as you know, on the Arak
17 reactor, which, had it become operational and together with the reprocessing facility,
18 would have provided Iran with a plutonium path to the bomb. Once fueled, the Arak
19 facility would have been very challenging to deal with militarily. Today, Arak is frozen
20 in place. No new components, no testing, no fuel.

1 Before the JPOA, Iran had installed roughly 19,000 centrifuges, the vast bulk of
2 them at the Natanz facility. Today, 9,000 of those centrifuges are not operational. Iran
3 has installed no new centrifuges, including no new next-generation models, and its
4 stockpile of 4 percent low-enriched uranium is capped at its pre-JPOA level.

5 Before the JPOA, inspectors had less frequent access to Iran's nuclear facilities.
6 Today, under the JPOA, it has enabled IAEA inspectors to have daily access to Iran's
7 enrichment facilities and a far deeper understanding of its nuclear program, its
8 centrifuge production, its uranium mines and mills, and other facilities important to
9 monitoring the program and detecting any attempts to break out.

10 And the IAEA has consistently reported that Iran has lived up to its
11 commitments under the JPOA. Just as we have asked Iran to uphold commitments
12 under this agreement, we have lived up to our commitment to provide Iran with
13 limited relief, about \$14 billion to \$15 billion from the start of the agreement to this June
14 when it ends. And David Cohen can talk more about that.

15 But that relief is dwarfed by the vast amounts denied to Iran under the existing
16 sanctions regime that we are vigorously implementing. The entire sanctions
17 architecture remains in place, and David can talk about that.

18 Congress, as has been mentioned, is now considering legislation to impose
19 additional sanctions on Iran, should negotiations fail. And let me say at the outset, I

1 know the intent of this legislation is to further increase pressure on Iran and in so doing
2 strengthen the hand of our negotiators and strengthen our leverage.

3 We very much appreciate that intent, but it is our considered judgment and
4 strongly held view that new sanctions at this time are both unnecessary and, far from
5 enhancing the prospect of negotiations, risk fatally undermining our diplomacy,
6 making a deal less likely and unraveling the sanctions regime that so many have
7 worked so hard to put in place. They are unnecessary because, as I noted a moment
8 ago, and then David will go into more detail on this, Iran already is under intense
9 pressure from the application of the existing sanctions.

10 In recent months, that pressure has actually grown stronger with the dramatic
11 drop in oil prices. Should Iran refuse a reasonable agreement or cheat on its current
12 commitments under the JPOA, the Senate could impose additional measures in a matter
13 of hours, matching or going beyond what the House already has passed.

14 The administration would strongly support such action. Iran is well aware that a
15 sword of Damocles hangs over its head. It needs no further motivation.

16 So the sanctions, new sanctions at this point are not necessary, but we also
17 believe their passage now would put at risk getting to a final deal over the next several
18 months. Let me very briefly explain why.

19 As part of the JPOA, we committed within the bounds of our system not to
20 impose new nuclear-related sanctions while the JPOA is in effect. Absent a breach by

1 Iran, any new sanctions enacted by Congress would be viewed by Iran and the
2 international community as the United States breaking out of the understandings of the
3 JPOA.

4 This, in our judgment, includes so-called trigger legislation that would tie the
5 actual implementation of new sanctions to the failure to reach a final agreement. Even
6 if such legislation is not technically and arguably a violation of the JPOA, we believe it
7 would be perceived as such by Iran and many of our partners around the world. The
8 intelligence community believes the same thing. So do our key partners, including the
9 U.K., France, and Germany.

10 And this could produce one of several unintended consequences that far from an
11 enhancing our security, in our judgment, would undermine it. First, the passage of new
12 sanctions could provoke Iran to leave the talks, violate the JPOA, and pursue its nuclear
13 program full tilt, reversing all of the benefits we have achieved under the JPOA. And I
14 can go through those later.

15 Second, even if Iran does not walk away or returns promptly to the table, its
16 negotiators are likely to adopt much more extreme positions in response, making a final
17 agreement much harder to achieve.

18 Third and finally, if our international partners believe that the United States has
19 acted prematurely through additional nuclear-related sanctions legislation in the
20 absence of a provocation or violation by Iran, their willingness to enforce existing

1 sanctions, never mind add additional sanctions later, in our judgment, will wane. Their
2 support is crucial. Without it, the sanctions regime would be dramatically diluted.

3 Up until now, we have kept countries onboard through a lot of hard work
4 despite it being against the economic interest of many of them in large part because we
5 have demonstrated we are serious about diplomacy and trying to reach an agreement
6 that advances our security. If they lose that conviction, the United States, and not Iran,
7 would be isolated. The sanctions regime could collapse, and Iran could turn on
8 everything it turned off under the JPOA with no consequence.

9 We can debate whether any of these things would happen, whether all of these
10 things would happen. What I can tell you is this. Those that we believe are best placed
11 to know, that is the folks who have been engaged with the Iranians, engaged with our
12 international partners in these negotiations for several years now, that is their best
13 judgment.

14 Why run these risks and jeopardize the prospects for a deal that will either come
15 together or not over the next few months? In our judgment, there is nothing to be
16 gained and potentially lots to be lost by acting precipitously.

17 As Senator Boxer noted, this is a judgment shared by many of our key partners.
18 She cited Prime Minister Cameron and his remarks. I think you will hear the French,
19 the Germans, and others make similar statements in the coming days.

1 One final point. Even if we resolve the challenge posed by Iran's nuclear
2 program, I want to assure you that we will continue to confront Iranian actions that
3 threaten our security and that of our partners, including its support for terrorist groups,
4 its efforts to proliferate its destabilizing activities in the region. We will continue to
5 spotlight and oppose its violations of human rights, freedom of expression, freedom of
6 religion, and we will continue to defend and build the capacity of our partners, from
7 Israel to the Gulf countries, to counter Iranian aggression and provocations.

8 Thank you very much, Mr. Chairman.

[The prepared statement of Mr. Blinken follows:]

[COMMITTEE INSERT]

9 **THE CHAIRMAN.** Thank you.

10 Mr. Cohen, Mr. Blinken was very fulsome in his comments, about double over.
11 If you could sort of keep it to 5, it would be good.

12 Thank you.

**STATEMENT OF HON. DAVID S. COHEN, UNDER SECRETARY FOR TERRORISM AND
FINANCIAL INTELLIGENCE, U.S. DEPARTMENT OF TREASURY, WASHINGTON, D.C.**

13 **MR. COHEN:** Certainly. Good morning, Chairman Corker, Ranking Member
14 Menendez, distinguished members of the committee.

15 Thank you for the invitation to appear before you today, and as this is likely my
16 last appearance before this committee before I assume my new duties, I want to thank
17 the former Chairman Menendez, current Chairman Corker, and members of the

1 committee for the courtesy that has been shown to me over the past several years. I
2 appreciate it.

3 There is no higher national security priority than ensuring Iran does not acquire
4 a nuclear weapon. And President Obama has made clear that we will do everything in
5 our power to prevent that from happening.

6 For us at Treasury, that has meant working within the administration, with
7 Congress, and with international partners to impose the most powerful sanctions in
8 history. And in many respects, the sanctions have worked exactly as designed. They
9 have driven Iran to the negotiating table because Iran's leaders know that relief from
10 sanctions can come only in exchange for taking steps that will guarantee that Iran
11 cannot produce a nuclear weapon.

12 As we sit here today, no one knows whether the negotiations ultimately will
13 yield a comprehensive deal. But we, like you, are dedicated to testing fully the
14 diplomatic path. As we do so, Iran's economy remains subject to intense pressure from
15 sanctions.

16 Under the Joint Plan of Action, which has been in effect for a little over a year
17 now, Iran halted progress on its nuclear program, rolled it back in key respects, and
18 allowed unprecedented inspections of its enrichment facilities. In exchange, Iran
19 received limited and reversible relief from some nuclear-related sanctions.

1 Importantly, the JPOA left in place the full architecture of our financial, banking,
2 oil, and trade sanctions; our terrorism and human rights sanctions; and our domestic
3 embargo. This means that Iran is still cut off from the international financial system. It
4 is unable to export even half the oil it was exporting in 2012, and it is barred by
5 sanctions from freely accessing most of its oil revenues and foreign reserves.

6 These sanctions are not just words on the books. We vigorously enforce them.
7 Since the signing of the JPOA in November 2013, we have designated nearly 100 Iran-
8 related targets and imposed over \$350 million in penalties for sanctions evasion. Put
9 simply, Iran still is not open for business, and its economy remains in a deep hole.

10 Let me cite just a few metrics. In 2014 alone, our sanctions deprived Iran of over
11 \$40 billion in oil revenues. That is well over twice the total estimated value to Iran of the
12 JPOA sanctions relief. Altogether since 2012, our oil sanctions have cost Iran more than
13 \$200 billion in lost exports and oil proceeds it cannot access.

14 Iran's currency, the rial, has depreciated by almost 16 percent just since the
15 signing of the JPOA and 56 percent since January 2012. And Iran's economy today is 15
16 to 20 percent smaller than it would have been had it remained on its pre-2012 growth
17 trajectory.

18 Because of the scope and intensity of the sanctions Iran currently is subject to and
19 because of the economic pressure those sanctions continue to apply, Iran is negotiating

1 with its back against the wall. Accordingly, we see no compelling reason to impose
2 new sanctions now, even on a delayed trigger.

3 Indeed, we think new sanctions legislation is more likely to be counterproductive
4 than helpful in the negotiations. Today, Iran's nuclear program is frozen, and its
5 economy — and thus its negotiating team — remains under enormous pressure because
6 we have been able to hold together the international sanctions coalition. Enacting new
7 sanctions now threatens to unravel this.

8 If Congress enacts new sanctions now and the negotiations ultimately prove
9 unsuccessful, our international partners may blame us, not Iran, for the breakdown in
10 the talks. Overall support for the sanctions regime would then decline, making it more
11 difficult to maintain or to intensify sanctions pressure.

12 And if a breakdown in talks led to the demise of the JPOA, we would lose the
13 additional insight into Iran's nuclear program and the restrictions on development that
14 the JPOA has given us.

15 So make no mistake, this administration understands and embraces the power of
16 sanctions. Sanctions are a key component of many of our most important national
17 security initiatives. We are not sanctions doubters.

18 But neither do we believe that layering on additional sanctions is always the
19 right move. Sanctions are one tool in our toolkit, alongside diplomacy, military action,
20 and the myriad other ways that we project power.

1 If diplomacy does not succeed, the President said he "will be the first one to come
2 to Congress and say we need to tighten the screws." But in our view, now is the time to
3 give diplomacy every chance to succeed, not to create a new sanctions tool.

4 Thank you, and I look forward to address your questions.

[The prepared statement of Mr. Cohen follows:]

[COMMITTEE INSERT]

5 **THE CHAIRMAN.** Thank you both.

6 And again, I just want to make sure everybody understands this committee is not
7 the committee that deals with sanctions. And I know that the witnesses certainly have
8 the opportunity to say anything they wish in testimony. That is not the issue that is
9 before us.

10 I am sure you may get some questions about things other than Iran today, and
11 people will use this venue for that. But I would just like to ask this question of Mr.
12 Blinken. Do you believe Congress has any role at all to play in these negotiations? And
13 with a short answer, if you would?

14 **MR. BLINKEN:** Yes, I do, Mr. Chairman. In several ways.

15 First, we would not be where we are without the role that Congress has already
16 played. I think the sanctions that have been imposed to date are what brought Iran to
17 the table, and our ability to bring the international community along has been critical to
18 that endeavor.

1 Second, I think it is absolutely vital that we remain in close consultation with you
2 as the negotiations proceed. We have had the opportunity in various closed sessions
3 and briefings to do that. We want to continue that.

4 Finally, if we get to the endgame and if we do get a resolution, in our judgment,
5 the best way to ensure that Iran complies with its obligations would be to suspend the
6 existing sanctions, not end them, to test Iran's compliance. And only then, and
7 obviously, Congress would have to play a lead role in this, to actually end the sanctions.

8 So, all along, from the beginning to where we are now, to an agreement, if we
9 reach one, Congress' role is central.

10 **THE CHAIRMAN.** Well, thank you.

11 I think one of the things that we all know is when the sanctions were put in
12 place, we gave the administration some national security waivers, and you have
13 utilized those. I think all of us also know that once you suspend these in more depth
14 and you agree to do that with the P5, in essence, what is going to happen is the entire
15 regime is going to fall apart.

16 And so, I sent you some legislation — I am very disappointed you did not
17 address that today in your opening comments — that would just allow us — we do not
18 want to do something that infringes upon getting to a good deal. And so, we have
19 sought to figure out some way for Congress to be able to weigh in before you dismantle,

1 before you dismantle over a longer period of time with this national security waiver the
2 entire regime.

3 We have asked is it appropriate for us to at least be able to weigh in since we did,
4 in fact, put those sanctions in place? So I will just ask you this. Do you believe that
5 Congress should have the ability to vote up or down on any agreement in the same
6 framework that we do with 123 agreements, which we have done 27 times on our civil
7 deals? Do you not think this rises to that level of importance to our Nation? And would
8 you oppose this body taking up legislation to deal with that in an up-or-down vote on
9 the Senate floor?

10 **MR. BLINKEN:** Thank you, Mr. Chairman.

11 I have had an opportunity to look at what you are proposing, and let me say at
12 the outset, first of all, how much we very appreciate your leadership on this and the
13 intent of what you are proposing. And as someone who, as you alluded to before,
14 worked on this committee for 6 years, I also fully understand the desire for a Congress
15 to have some kind of up-or-down vote on whatever is agreed to.

16 From where I sit now, I think you will also understand the position of the
17 administration — for that matter, any administration, Republican or Democrat — on the
18 importance of maintaining the executive prerogative to conclude agreements that
19 advance our national security interests and do not require formal congressional

1 approval. There is a concern that this could set a precedent for future executive branch
2 action.

3 This, to us, would be, I think, a unique arrangement. It will not be a treaty or
4 other type of international agreement where all parties are required to take similar
5 actions themselves. It will not be like an arms control agreement that imposes
6 obligations on the United States and our nuclear weapons policy. And it is not exactly
7 akin to a 123 agreement because in this case we have multiple partners at the table on
8 an issue obviously of tremendous complexity.

9 Rather, this would be the international community putting strong limits on Iran's
10 nuclear program and Iran agreeing to adhere to those limits. But as I said earlier, just as
11 Congress played a key role in getting us here —

12 **THE CHAIRMAN.** So if I could, I think the answer is no. So let me — you know, we
13 could easily deal with this by just passing legislation that does away with national
14 security waivers. So —

15 **MR. BLINKEN:** Mm-hmm.

16 **THE CHAIRMAN.** — then you would have to come to us.

17 **MR. BLINKEN:** Yes.

18 **THE CHAIRMAN.** So I do not understand. You know, you have talked about the
19 sanctions piece. I have talked to our French negotiators directly. I talked to our U.K.

1 negotiators directly. I talked to Prime Minister Cameron directly. I talked last night at
2 length in my office to the negotiator on behalf of the European Union.

3 I was in Israel this weekend, talked to the intelligence agencies there. I talked to
4 the prime minister. I have met no one who believes that us weighing in would do
5 anything to destabilize these negotiations. As a matter of fact, many have said knowing
6 that Congress has to approve the deal would be a great backstop for the administration
7 to strengthen their hand, just as the negotiators in Iran continue to refer to the
8 hardliners and to Khamenei, the spiritual — the leader, the Supreme Leader.

9 And I do not understand why — I mean, again, we could just do away. We were
10 generous in the passage of these sanctions giving you a security waiver. We could
11 actually just do away with that, and you would have to come to us.

12 So why would you oppose Congress weighing in on an issue of this importance?
13 And is it hollow for you to say that you want this to pass muster or Secretary Kerry to
14 say this should pass muster and yet continue to stiff-arm, every effort be pushed away.
15 Congress, who represents more fully this Nation than the negotiators, not having the
16 ability to weigh in on this deal.

17 **MR. BLINKEN:** Mr. Chairman, let me suggest a few concerns that could materialize.
18 First, in terms of the negotiations themselves, the knowledge that there would be very
19 early on this kind of vote, in our judgment, could actually undermine the credibility of
20 the commitments we would make in the context of negotiations to suspend, not end —

1 **THE CHAIRMAN.** Does the Iranian parliament not need to weigh in on some of the
2 agreements that Iran is putting in place?

3 **MR. BLINKEN:** Under their laws, they may be required to. That is correct.

4 **THE CHAIRMAN.** Okay. So, so on one hand, we would negotiate in such a way as
5 we know that the Supreme Leader could try to influence the Iranian parliament to go
6 against what they may agree to, and yet you would say here it is not important for the
7 greatest deliberative body in the world — quote, quote, quote — to be able to weigh in
8 on this issue.

9 Matter of fact, the body that actually put together this regime that the entire
10 international community is building these negotiations off of.

11 **MR. BLINKEN:** Let me suggest two things. First, there is a concern that if a
12 judgment is reached immediately, yea or nay, on this, it may be too soon to judge
13 whether Iran, in fact, has complied with its commitments.

14 You know, if Congress had been asked to vote on the interim agreement in the
15 days after it was reached, I suspect many who now believe that the agreement has
16 produced very strong results for our security initially were skeptical, might well have
17 voted it down. I think giving the Iranians time to demonstrate clearly to you and to us
18 that they are making good on their commitments would make sense.

19 Second, I actually think our leverage is enhanced and Congress' leverage is
20 enhanced if we suspend sanctions initially if we get an agreement, and then, once Iran

1 has demonstrated that it is making good on its commitments, Congress acts and takes
2 the actions necessary. I think we have stronger leverage doing that than pronouncing
3 ourselves immediately until we see whether Iran is making good on its commitments.

4 **THE CHAIRMAN.** Well, my time is up. But I would support a series of votes, if that
5 is what you are saying. I would support an initial vote on the deal as a whole, and I
6 think Congress would be more than glad to work with you on a series of votes as you
7 move along.

8 I will say, Mr. Blinken, after having served on this committee, and after you all
9 spending incredible amounts of time dissing the sanctions regime, which we are not
10 focused on, we are trying to find a constructive way for Congress to play its rightful
11 role in these negotiations. And I am very disappointed that, in essence, what the
12 administration is saying is we really do not want — even though Congress put us in
13 this place, we really do not want Congress to play a role in one of the most important
14 geopolitical agreements that may take place during this administration.

15 With that, Ranking Member Menendez?

16 **SENATOR MENENDEZ.** Thank you, Mr. Chairman.

17 You know, I have to be honest with you. The more I hear from the
18 administration and its quotes, the more it sounds like talking points that come straight
19 out of Tehran. And it feeds to the Iranian narrative of victimization when they are the

1 ones with original sin, an illicit nuclear weapons program going back over the course of
2 20 years that they are unwilling to come clean on.

3 So I do not know why we feel compelled to make their case when, in fact, do you
4 dispute any of the things I said in my opening statement about actions that they have
5 taken as it relates to the U.N. monitors, as it relates to fueling that rod, as it relates to
6 those other elements? Do you dispute any of those? Just yes or no.

7 **MR. BLINKEN:** Mr. Ranking Member, no. I think you are largely correct.

8 **SENATOR MENENDEZ.** Okay. So then the bottom line is they get to cheat in a series
9 of — I will call it cheat. You will not. But they get to cheat in a series of ways, and we
10 get to worry about their perceptions. To quote from your testimony, and I will quote
11 directly, "Even if such sanctions are not arguably a technical violation of the Joint Plan
12 of Action, we believe they would be perceived as such by Iran."

13 Now, so we are worried about their perceptions, but our perceptions of what
14 they are doing to advance their nuclear interests can be just clearly swept underneath
15 the rug. And I also think it is important, reading from your testimony, to put the Joint
16 Plan of Action in the appropriate context.

17 You say, "Instead of limiting work on advanced centrifuges," referring to Iran, "it
18 could resume its efforts to increase and significantly improve its nuclear capabilities in a
19 relatively short timeframe." So let us be honest about what the Joint Place of Action is.

1 It is a freeze. It is a freeze that scientists that have come before this committee have said
2 if they, in fact, decide to proceed and not make a deal, they need about 3 months.

3 Now what, what — Mr. Chairman, I do not know that members of the audience
4 get to participate here. But they need about 3 months.

5 Now I am not a scientist, but I will accept their testimony as pretty much
6 substantive as to where they need to go. Any sanctions that we have imposed have
7 taken minimum 6 months to give lead time to the world and to companies that this is
8 now a sanctionable item. So that puts us beyond the timeframe if they make a decision
9 to move in a different direction.

10 And let us be honest that at one time maybe, but now the Iranians do not believe
11 that there is a credible use of military force on the table, should they not make a deal
12 and should they move to break through on nuclear capabilities for weaponization. So,
13 you know, you are telling the committee then, and you can look us straight in the eye
14 and say that prospective sanctions that do not take place until July, well after the period
15 of time of not just a framework — because I have never been able to get my hands
16 around your March framework, what that really means.

17 I have been told there is not even going to be a written document to that effect.
18 A March framework, that takes place in July after a deal has either been consummated
19 or not and would only take place if a deal has not been consummated and even with
20 presidential waivers at that period of time, is somehow going to make the Ayatollah

1 walk away from a deal that he thinks is in his country's or his best interest to have
2 anyhow.

3 That is tough to believe in. It is just — it defies common sense that if I want to
4 make a deal that something you are going to do that does not affect my ability to make
5 that deal is going to make me walk away from a deal that I find is in my interest
6 anyhow. That is just not common sense.

7 So I get that you all hung up on the sanctions thing, and I get that there is — you
8 know, you talk about perception, that it is not necessarily a violation, but it will be
9 perceived as such. So we have to worry about all of the Iranian perceptions, but we can
10 just swallow all of what they are doing independently.

11 So let me ask you this. Is it not true that even the deal that you are striving
12 towards is not to eliminate any Iranian breakout capability, but to constrain the time in
13 which you will get the notice of such breakout capability? Is that a fair statement? Yes
14 or no.

15 **MR. BLINKEN:** Yes, it is.

16 **SENATOR MENENDEZ.** Okay. So we are not eliminating Iran's ability to break out.
17 We are just getting alarm bells, and the question is how long are we going to get those
18 alarm bells for?

19 Now is it not also true that the administration cannot lift sanctions, that it can
20 only waive them under the present law? Yes or no.

1 **MR. BLINKEN:** That is largely correct.

2 **SENATOR MENENDEZ.** So now the Iranians are going to make a deal in which this
3 President may waive sanctions, but the next President of the United States, whoever
4 that may be, may decide, you know what, this is not in our interests because it is only
5 going to give us a limited period of time. And they are going to go ahead and say,
6 sorry, we are not waiving the sanctions anymore.

7 And that, the Iranians are willing to make the hard decisions that they need to
8 make, that they have been unwilling to make for 18 months because I heard — this
9 movie has been played before, right, 20 years. Last June, we heard from the President
10 "just give me time." That was 7 months ago, right? Now we are reliving it again.

11 And so, the bottom line is that we are going to do all of this and ultimately be in
12 a position in which if they do not make a deal, we are exactly where we were at, but
13 with no immediate consequences to them. Their breakout time is shorter than the time
14 it will take to create new sanctions. And now you are telling me and the chairman,
15 based upon your responses, that you do not want us to even vote.

16 The Iranians have made it very clear that their parliament has to vote on this
17 issue. Why is it possible that Tehran will treat its parliament better than the
18 administration in the greatest democracy in the world is willing to treat its Congress? It
19 just boggles my imagination.

1 So, Mr. Chairman, I look forward to looking at your legislation. I have suggested
2 to you in our previous conversations some ways in which I think it might be made even
3 stronger. And I appreciate that this is one of our first hearings.

4 **MR. BLINKEN:** Mr. Chairman, could I quickly address some of the ranking
5 member's points?

6 Mr. Ranking Member, I think we are most worried about not Iranian perceptions,
7 but the perceptions of our partners, who are critical to enforcing the sanctions. And
8 what we have heard from them, including from Prime Minister Cameron as recently as
9 last week, including from our French and British colleagues, is that further sanctions
10 now or the threat of sanctions or even trigger legislation risks unraveling the
11 international coalition that we have built to impose the sanctions.

12 At the end of the day, it will be much easier, if we wind up suspending sanctions
13 in the event of an agreement of some kind, to reimpose them quickly if we have kept
14 the international coalition together. So what we are most concerned about and focused
15 on is that.

16 It is not Iranian perceptions, although it does matter because, look, Iran is not
17 immune to politics either. They have their own. They have people who are negotiating
18 who are not friends of ours, who are not good guys, but who may be more pragmatic
19 because they are looking at the future of their country and are trying to get out from the
20 burdens that they are under.

1 So we do want to do what we can to make sure that they are not penalized. But
2 what is critical is our partners and our ability both to sustain the sanctions and, if we
3 have to, to increase them.

4 Second, I think under the JPOA, this is different than the past. In the past, it is
5 true we have engaged with Iran and talked to them without having something like the
6 JPOA. That froze that program; in some respects, rolled it back; and created much
7 greater access to learn more about it.

8 And you are exactly right that under those circumstances, the Iranians would be
9 able to basically talk and advance their program at the same time. That is not what is
10 happening now. This has been a good interim deal for us and our security as we have
11 pursued whether we can get to a final deal.

12 I think the framework you asked about, what we hope to get to in March is the
13 agreement on all of the core elements, what commitments the Iranians would make.
14 Then it will take some time to translate that into tremendous technical detail. That is
15 why we would need the time until June to do that, but that is what we hope to be able
16 to present to you, if we get to yes at the end of March.

17 I do believe that Iran believes that there is the very credible threat of force. But
18 what is motivating it primarily now and what brought it to the table is the tremendous
19 economic burden it is under.

20 Thank you.

1 **THE CHAIRMAN.** Senator Menendez, I appreciate your willingness to look at some
2 legislation that would give us an up-or-down vote on this issue. And I would say in
3 response to Mr. Blinken's comments, I have talked with our international partners. Not
4 a single one of them has any concerns whatsoever with Congress having the ability to
5 vote up or down on a final deal.

6 Many of them believe it strengthens our hand. So, with that, Mr. Gardner —
7 Senator Gardner?

8 **SENATOR GARDNER:** Thank you, Mr. Chairman.

9 And Secretary Blinken, I do not want to mischaracterize anything that you have
10 said in your response to Chairman Corker. So I want to clarify perhaps a comment that
11 I heard wrong.

12 You mentioned that in the discussion the possibility of legislation that the
13 chairman has sent over to you, the possibility of that legislation undermining the
14 credibility of our negotiators. Could you expound on that comment? And is that what
15 you, indeed, said?

16 **MR. BLINKEN:** In the context of these negotiations, if we get to an understanding,
17 part of this, our commitment, should the Iranians make the commitments necessary to
18 convince us and our partners that their program would be for peaceful purposes, in
19 return, their expectation is that something would be done about the sanctions.

1 They, of course, would like us to end the sanctions immediately. That is
2 something we will not do. And Under Secretary Cohen can address that.

3 We believe that the best way to proceed is based on the not only the
4 commitments they make, but also the steps they take to implement those commitments
5 that, initially, we suspend, not end certain sanctions. And that over time, as they
6 demonstrate that they are making good, at that point, we get to actually ending them,
7 and Congress would have to do that and play a role there.

8 The concern that we would have is that if we are saying we are going to be
9 suspending certain sanctions early on, and yet that is still subject to an initial vote by the
10 Congress in some fashion, they will doubt our ability to actually deliver on our
11 commitment. That is a concern that could make the negotiations more complicated.

12 **SENATOR GARDNER:** And have you heard from any of our partners around the
13 world that they believe this legislation would undermine the credibility of our
14 negotiators?

15 **MR. BLINKEN:** I cannot say that. I have not talked to any of our partners
16 personally about the proposed legislation that the chairman is proposing or any —

17 **SENATOR GARDNER:** It had been fairly —

18 **MR. BLINKEN:** What I was talking about was actually sanctions legislation,
19 including trigger legislation.

1 **SENATOR GARDNER:** I mean, it has been fairly public in terms of news reports about
2 the proposed legislation, the ideas that we would put forward. No one — this is strictly
3 the administration's position and none of our partners?

4 **MR. BLINKEN:** We would have to ask them. I do not know what their position
5 would be on that.

6 **SENATOR GARDNER:** You mentioned talk about the Iran not being immune to
7 politics. And so, following up on President Rouhani, does he have the support within
8 the Iranian government, within the politics within Iran, to accept an agreement from the
9 United States and the international community, regardless of how flexible the United
10 States is and the international community with sanctions during the — during
11 negotiations?

12 **MR. BLINKEN:** I think you ask the \$64,000 question. The short answer is we do not
13 know. That really is the test. Can Iran do what is necessary to get to yes and to meet
14 the very stringent requirements that we have and that our partners have? That is
15 exactly what we are testing now.

16 I would say to you, Senator, that over the course of these negotiations, we have
17 seen the gaps close. And Iran, after initially absolutely rejecting certain steps that we
18 believe are necessary, being open to them. But here is what is particularly complicated
19 about this.

1 This is one of those situations where nothing is agreed until everything is agreed.
2 So we may have in the course of the negotiations an agreement in principle on one
3 aspect, and we have talked about several of them — Arak, Natanz, possible military
4 dimensions of the program, et cetera. But unless and until we are able to conclude all of
5 the elements, then nothing is agreed to.

6 So what we have seen is that on specific chapters, critical chapters, they have
7 moved closer to a point where we would find their commitments acceptable in
8 answering our requirements. On others, we are just not there yet.

9 And it goes to your question, do they have enough political space to make the
10 agreement? I think we will find that out over the next 2 months.

11 **SENATOR GARDNER:** And going back to the JPOA, do you believe the Corker
12 legislation would violate the intent of the JPOA?

13 **MR. BLINKEN:** No.

14 **SENATOR GARDNER:** So, again, it would not violate the intent of the JPOA, but
15 would it give us the ability to weigh in as Congress, the ability to perform advise and
16 consent obligations under our Constitution. So it is strictly the administration's
17 concern that this would interfere with their negotiations?

18 **MR. BLINKEN:** Again, I think some of the concerns are that — and the JPOA, I
19 think, may be illustrative of this. If members had been asked to pronounce themselves

1 within a month or so on the JPOA, I suspect that many members initially might have
2 given it a "thumbs down" because there was great skepticism about it.

3 I think the JPOA has proved itself through the results it has achieved over the
4 course of the agreement, and I think a lot of minds were changed. Indeed, for example,
5 our Israeli partners, who were also very skeptical of the JPOA initially, now tell us and
6 acknowledge to us that it has been a success.

7 So one concern is that pronouncing ourselves on the agreement before we have
8 demonstrated whether Iran is going to live up to it and meet its commitments I think
9 may be premature. Second, there are some elements that, you know, we could certainly
10 talk about.

11 There is in it a — as I read it at least, Mr. Chairman, a compliance requirement
12 that is on a fairly tight hair trigger. That is, if there is a violation that is detected, then
13 within 5 days, sanctions would have to be reimposed.

14 We have had situations under the JPOA where we have identified things, and
15 actually Ranking Member Menendez mentioned a few of them, which we believe were
16 violations of the JPOA, the Iranians believe they were not. There may be circumstances
17 where it is a good faith difference.

18 We have a mechanism in place under the JPOA to litigate those disputes, and in
19 every instance when Iran was doing something that we thought was problematic, it was

1 litigated, and they ceased their activities. For example, the IR-5. So that would be
2 another concern.

3 And then, finally, one thing, Mr. Chairman — just to put this on the table, too,
4 while we are talking about it — is, as I read it, it does rule out a JPOA extension. And
5 again, it is our strong intent to try and reach the basic agreement in March and then to
6 conclude all of the technical details by June. But I would not want to prematurely rule
7 out, in a sense arbitrarily, any extensions if we are on the verge of completing the
8 technical details in June but still have I's to dot and T's to cross.

9 We might want a little more time. That is at least possible. I would not want to
10 rule that out now.

11 **SENATOR GARDNER:** And by all accounts, Iran remains a state sponsor of terror and
12 one of the world's foremost violators of human rights. These discussions have been
13 involving the regime on nuclear issues.

14 The regime's record as a state sponsor of terrorism and human rights continues
15 to be abysmal. But if the refusal to impose additional sanctions while we discuss the
16 nuclear issues, would you support additional sanctions that target the regime in areas
17 of terrorism and human rights violations?

18 **MR. BLINKEN:** Yes, Senator, Under Secretary Cohen can address this. I would just
19 say very simply that we have been vigorously implementing sanctions in other areas

1 against Iran, including on the question of human rights, including on the question of
2 support for terrorism.

3 But maybe Under Secretary Cohen can address that?

4 **MR. COHEN:** And just very briefly, Senator, just 3 weeks ago or so, we imposed
5 some additional sanctions with respect to Iran's violation of human rights, the use of
6 technology firms in Iran to stifle dissent. In the period since the JPOA has gone into
7 effect, among the hundred or so sanctions that we have been — that we have imposed
8 have been 15 focused specifically on Iran's support for terrorism.

9 **SENATOR GARDNER:** Mr. Chairman, thank you.

10 **THE CHAIRMAN.** Thank you, and we would certainly love input, love engagement
11 like you are doing with Iran. We would like the same respect. So if you have some
12 details you would like to talk with us about, that would be fine.

13 Senator Markey?

14 **SENATOR MARKEY:** Thank you, Mr. Chairman, very much.

15 Now I have heard that the right agreement here includes a 1-year breakout
16 period. A duration of 15 to 20 years would be the agreement. Now the Arak reactor
17 would be neutralized, and there would be a full-scope safeguards under the additional
18 protocol. Those are the highlights, the way I understand it.

19 Are the Iranians willing to give up the heavy water reactor at Arak?

1 **MR. BLINKEN:** Senator, I think you have covered many of the key details that
2 would be required. There are some others. The short answer is that unless Arak is
3 neutralized so that it is not able to produce plutonium that can be reprocessed for a
4 weapon, we will not have a deal.

5 There are different ways of doing that, and one of the things that our negotiators
6 are looking at and the folks who — the scientists who know the technical details are the
7 different ways of doing that. That is part of the negotiations. But the bottom line is
8 absent satisfaction on Arak, we will not have a deal.

9 **SENATOR MARKEY:** Have they agreed to take Arak's heavy water processing
10 capacity off the table?

11 **MR. BLINKEN:** As of this moment, no.

12 **SENATOR MARKEY:** They have not. And on Fordow, your testimony pointed out
13 that before the JPOA, Iran had about 200 kilograms of 20 percent enriched uranium in a
14 form that could quickly be enriched into a weapons-grade level. And it produced much
15 of the material at the Fordow facility. You say they no longer have that capacity.

16 What do the Iranians then expect to do with their civilian nuclear sites,
17 specifically the underground facility at Fordow, under the agreement that you are
18 negotiating right now?

19 **MR. BLINKEN:** Without getting into the details of what we are negotiating, but
20 again, we would be happy to discuss that in a closed setting. Again, in the case of

1 Fordow, any agreement has to eliminate its production of 20 percent fissile material in a
2 permanent fashion. So that is something that would be critical to the agreement.

3 **SENATOR MARKEY:** Okay. Now I wrote a book back in 1982 on the International
4 Atomic Energy Agency, and I concluded at the time that it was a paper tiger in terms of
5 its ability to put in place the kinds of intrusive inspections that would ensure that there
6 was not a breakout. And so, what I would like to do here is just to give you a chance
7 just to talk about the inspections regime that other countries abide by and what Iran is
8 now negotiating.

9 So right now, 122 countries have agreed to allow the IAEA to inspect nuclear
10 sites any time they want, with as little as 2 hours advance notice. Can you tell us a little
11 bit then about what the IAEA inspectors can do in terms of visiting Fordow and Natanz
12 and other facilities if they want to go in with no notice, essentially, which is what the
13 other 122 countries allow to happen?

14 **MR. BLINKEN:** That is exactly the kind of thing, again, without getting into the
15 specifics and the details, exactly the kind of thing we would be striving to achieve.
16 That, in fact, any agreement with Iran would require the kind of access, monitoring, and
17 transparency that actually would put Iran in a place that is exceptional, that no other
18 country actually has to abide by, precisely because over these many years, as has been
19 alluded to, they have forfeited the trust and confidence of the international community.

1 So we would be looking not only at the additional protocol, but other steps,
2 which again I can talk about in a different setting, that would give us and give our
3 partners confidence that we had all along, in effect, the production and supply chain —
4 the mines, the mills, the centrifuge production facilities, and then the uranium and
5 plutonium facilities, if any, themselves — that we had access.

6 And also this would require access to military facilities. Parchin is something
7 that we would require access to. And I should add —

8 **SENATOR MARKEY:** So what are they telling you about Parchin right now?

9 **MR. BLINKEN:** So, again, I do not —

10 **SENATOR MARKEY:** Is it their willingness to allow for IAEA inspectors to go into
11 that site?

12 **MR. BLINKEN:** What I would like to do, with your permission, is to leave any of the
13 specific details of where we are in the negotiations, including what they have expressed
14 a willingness to do and thus far not do, to a classified briefing, which we would be
15 happy to provide. We will bring you up to date on that.

16 **SENATOR MARKEY:** Yes, I think it is very important for the United States to
17 understand exactly what will be the level of intrusiveness into each one of these sites.

18 And finally, although there are so many things that we can talk about here, it has
19 been reported that both Saudi Arabia and Jordan are interested in pursuing nuclear
20 cooperation agreements with the United States. How will we be able to convince those

1 countries to agree not to demand the right to enrich uranium as part of those
2 agreements if we allow Iran to continue to maintain its enrichment capability as part of
3 a final agreement?

4 And I put that in the context of the 123 agreement, and the chairman already
5 referred to this, the 123 agreement with the United Arab Emirates, which, again, I
6 thought was a mistake, as I think a mistake would be made if we had an agreement
7 with Saudi Arabia, for example. It just will trigger a proliferation cascading effect if
8 there is not kind of a sense that there is equal treatment.

9 So could you talk about that little bit as well?

10 **MR. BLINKEN:** Sure.

11 **SENATOR MARKEY:** I think it is very important for us to go to the next step in terms
12 of what is the reaction of Saudi Arabia if Iran has this capability.

13 **MR. BLINKEN:** First of all, Senator, let me just note your own leadership on these
14 issues and the work that you have done over the years on this. We have a very clear
15 policy of trying to prevent the spread of enrichment and reprocessing technology, and
16 we are working to discourage the proliferation of enrichment technology beyond
17 countries that already possess it.

18 I think any resolution we reach with Iran will be exactly the opposite of a model
19 for any other country. I do not think any country would want to follow the path that
20 Iran has followed to get to where it is, which has involved a decade or more of

1 increasingly onerous sanctions, isolation, and an economy in tatters. That does not
2 make any sense.

3 So I think Iran is actually the counter model, and it sends a very strong signal to
4 the rest of the world that this is not the path to pursue if you want to have a peaceful
5 nuclear program and get the most advanced technology, which we can provide under a
6 123 agreement, for example. So I think it is actually very powerful in the other
7 direction.

8 **SENATOR MARKEY:** We can pursue this further, but again, I think a no enrichment
9 policy is the correct policy, especially as it sets a precedent for Saudi Arabia, United
10 Arab Emirates, and others and especially since the Iranians are clearly intending on
11 building 8 to 10 nuclear power plants as they are flaring 10 nuclear power plants' worth
12 of nuclear electricity generating capacity on a daily basis.

13 Okay? So we just have to understand fully what the long-term implications are.

14 Thank you, Mr. Chairman.

15 **THE CHAIRMAN.** Thank you.

16 Senator Barrasso?

17 **SENATOR BARRASSO.** Thank you, Mr. Chairman.

18 Secretary Cohen, in a meeting in the White House last week, the President said
19 he thought the chances of a deal are about — well, were less than 50 percent, and I
20 mean, you said exactly the same thing today.

1 You know, when you look at odds like that, I think it is important for us to take
2 into consideration the high possibility that this does not succeed and what we need to
3 do in case an agreement is not received — is not able to come out. So you had said that
4 if there is not a deal, that the Congress and this administration would move quickly to
5 enact new sanctions if Iran were to walk away from the talks.

6 So could you talk about some specific additional sanctions that you think the
7 administration would at least support imposing on Iran if the diplomatic talks fall apart
8 and nothing is achieved?

9 **MR. COHEN:** Senator, we have, as you know, over the course of the last several
10 years focused in a number of important areas — on Iran's ability to sell its oil, on its
11 access to the international financial system, on its ability to trade, and on investments in
12 Iran's various sectors. I think all of those issues would be ones that we would explore
13 and likely focus on additional sanctions.

14 I am not prepared to tell you, you know, specifically today what the — what the
15 detailed sanctions would be. But we — I think those broad areas, which have been, I
16 think, quite effective would be areas where we would be focused.

17 **SENATOR BARRASSO.** You make the point where you say, well, those are things we
18 would be interested in exploring. And so, then the question naturally leads to is how
19 long would it actually take until sanctions were imposed that would actually have a
20 meaningful impact on what is happening?

1 **MR. COHEN:** Yes, and I think that is an important question. I know that Ranking
2 Member Menendez commented earlier about the phase-in time for certain sanctions.
3 And for some legislation in the past, we have had relatively delayed phase-ins,
4 particularly as we start to do sort of brand-new things.

5 In other areas, the phase-in time has been actually quite short. And to cite just
6 one example, with the NDAA of 2012, there was a requirement that we block all Iranian
7 financial institutions, impose sanctions on Iranian financial institutions. That was
8 implemented in a matter of weeks after that legislation was enacted.

9 And so, there are precedents where new sanctions, new legislative sanctions can
10 go into effect very quickly. Executive sanctions, when we act by executive order, they
11 are immediately effective, and so they go into effect the day that they are announced.

12 And just one final point. Even with sanctions that have some delayed phase-in,
13 business and industry adjust before the effective date of the sanction. So if it is, you
14 know, a 2-month phase-in, you see financial institutions, you see businesses, you know,
15 immediately beginning to scale back their activity so that they are not caught up short
16 when the sanctions go into effect.

17 So we can impose sanctions very, very quickly if need be.

18 **SENATOR BARRASSO.** And since the combined impact of sanctions not just by the
19 United States, but by others has an initial impact on the ground, have there been these

1 discussions with P5+1 about the imposing sanctions across the board that would snap
2 back into place?

3 **MR. COHEN:** We have an ongoing conversation with our P5+1 partners and others,
4 frankly, around the world about sanctions and about what the future may hold. So I —
5 I do not want to get into any of the details of those conversations, but absolutely.

6 **SENATOR BARRASSO.** A number of us have just come back from Saudi Arabia, from
7 Qatar, from Israel, have visited with members of the Free Syrian Army. And this has to
8 do with what happens when sanction relief occurs and where the money is spent. It
9 goes to Iran.

10 What we have heard from the commanders on the ground of the Free Syrian
11 Army is that when the sanctions were relieved in the past, money went into Iran, which
12 then immediately went to help finance efforts with Assad in Syria. That Assad, at this
13 point, is buying oil and food staples from ISIS. So an indirect funding through Assad to
14 ISIS.

15 And I am just wondering how this all impacts and how you see what is
16 happening there on the ground, at least what we have heard on our overseas trip and
17 visiting with the Free Syrian Army?

18 **MR. COHEN:** Yes, I have heard similar reports. It is terribly concerning, and no
19 question about it. I will say that our sense of what Iran has been doing with the funds
20 to which it has been given access that were otherwise frozen under the JPOA is

1 primarily to use those to try to prop up its economy, which is, as Deputy Secretary
2 Blinken said, in tatters.

3 But we have been very much focused on Iran's support for terrorist
4 organizations, Iran's support for the Syrian regime throughout this process, and we will
5 continue to take action where we see an ability to do so.

6 **SENATOR BARRASSO.** Thank you. And because, obviously, Hamas, Hezbollah, all of
7 those —

8 **MR. COHEN:** Absolutely, Senator.

9 **SENATOR BARRASSO.** Mr. Blinken, if I could visit with you about regional
10 proliferation. The other thing that we had heard that, and I think Senator Markey
11 talked about, if Iran is able to proliferate, who else can do it and what the other issues
12 and interests are going to be.

13 I mean, we heard that Saudi Arabia is going to be interested in pursuing either a
14 development program or perhaps even purchasing nuclear weapons from Pakistan.
15 And I am just — there is that concern that this could result in actually instead of
16 eliminating nuclear arms in the area, resulting in an escalation in a nuclear arms race in
17 the Middle East. Could you comment on that?

18 **MR. BLINKEN:** Yes, Senator, thank you.

1 I think what is most likely to lead to a nuclear arms race in the region is Iran
2 getting a nuclear weapon. That would, I think, open the floodgates, and we would go
3 down a path that no one wants to go down.

4 As I suggested earlier, it is our judgment that what Iran has done is hardly going
5 to be a model for any other country. I do not think any other country would want to
6 subject itself to the tremendous burdens that Iran has had imposed on it by the
7 international community over the last decade or more for its efforts to pursue a nuclear
8 weapon or the material to make one.

9 The isolation, the sanctions, the state of its economy, the message that that sends
10 to everyone else is this is not what you want to do. What you want to do is to respect
11 international norms, and indeed, we are prepared to work with countries that do that,
12 also to provide for them for peaceful purposes the most advanced technology for their
13 nuclear power programs, but not enrichment and reprocessing capability.

14 So I think actually the message it sends is one of following international norms,
15 not violating them grossly.

16 **SENATOR BARRASSO.** Well, I would just say as a final thought, I agree completely
17 with you. If Iran has a nuclear weapon, that will happen. The question is if they are
18 allowed to enrich uranium at a level that far exceeds what they really need for energy
19 use. And there is a mathematical calculation or how much they need for the number of
20 energy plus the potential of how much they want to enrich, how many centrifuges are

1 involved, and the concern that even the approval of that could result in this additional
2 proliferation and arms race.

3 **MR. BLINKEN:** Our entire focus is on ensuring that, as a practical matter, they are
4 not able to produce enough fissile material for a bomb in less than 1 year. That would
5 give us plenty of time to take action with the international community or alone, if
6 necessary, to counter that effort.

7 I should say we are being very conservative about this, at least in my judgment.
8 As you know, it is not just the fissile material. It is having a weapon. It is the
9 assessment of our intelligence community that they were pursuing a weaponization
10 program, at least until 2003. The evidence suggests that they stopped then, but this is
11 something we obviously remain very vigilant about.

12 It is also the capacity to deliver a weapon on a missile and being able to mate that
13 together. But what is most visible, what is most — what is easiest to see, account for,
14 measure, is the fissile material, and that is why in this agreement what we are focused
15 on is making sure that the constraints are so severe and the access so exceptional that
16 we would be able to see if they tried to break out, and we would have plenty of time to
17 do something about it.

18 **SENATOR BARRASSO.** Thank you.

19 Thank you, Mr. Chairman.

1 **THE CHAIRMAN.** Thank you. I understand that Senator Purdue has deferred to
2 Senator Johnson for time reasons.

3 I would say to the audience we very much appreciate you being here and
4 listening. We do not appreciate being involved in the dialogue. So if you could keep
5 comments to yourself.

6 And with that, I am sorry, I am going to the wrong side here, I guess, Senator
7 Murphy?

8 **SENATOR MURPHY.** Thank you very much, Senator Corker.

9 Congratulations on assuming the chairmanship. I know you and Senator
10 Menendez have had a very constructive working relationship over the last 2 years, and I
11 trust that will continue.

12 I wanted to accept your invitation and focus some of my questions on the
13 jurisdiction of this committee and then maybe sneak in the last question on sanctions.

14 Mr. Chairman, as you know, I have been one of the strongest proponents of
15 Congress exercising its constitutional authority and responsibility when it comes to
16 being co-equal with the executive branch with respect to the management of foreign
17 affairs. That is why I think it is absolutely essential, a requirement that this committee
18 continue our work on AUMF.

19 The Constitution spells out very clearly that it is our responsibility to declare
20 war, and thus, we need to weigh in on what is happening today in Syria and Iraq. But

1 the Constitution is also equally clear as to when the Congress has the responsibility to
2 weigh in on international agreements entered into on behalf of the United States by the
3 executive, and there is a longstanding precedent on what constitutes a treaty requiring
4 the U.S. Congress to weigh in and what constitutes a nontreaty obligation entered into
5 by the executive.

6 And I think it is important for us to understand the difference between the two
7 because I accept the caution that Secretary Blinken made to us about a new precedent
8 that we might be setting about weighing in on this agreement and what it would mean
9 for future agreements. And I also worry about our ability, just in the current political
10 context, to have a reasonable, productive debate on an international agreement of this
11 import.

12 The fact is, is that we cannot even approve a treaty recognizing disability rights.
13 We have an agreement on illegal arms trafficking that was opposed only by Iran, North
14 Korea, and Syria at its inception, and we cannot even begin a discussion about that
15 treaty here. And so, I worry about our ability to process this.

16 But I do understand the concerns that the chairman is raising. And so, I want to
17 maybe direct a few questions to our witnesses about the concerns.

18 The first is that a suspension of sanctions as part of an agreement with the
19 Iranians has the effect of being a permanent end to the sanctions, thus essentially

1 effectively eliminating our ability to weigh in with a statutory removal of the sanctions.

2 So I guess I will ask Secretary Cohen this question.

3 Do you believe that if an agreement was reached that led to a suspension of the
4 sanctions, that that would be an effective unraveling of the sanctions? Or do you
5 believe that if the Iranians did not live up to the early stages of that agreement, we
6 would have the ability to put back in place sanctions that were suspended?

7 I think it is a legitimate concern that Senator Corker is raising, and it would be
8 good to hear your thoughts.

9 **MR. COHEN:** Absolutely, and it is a legitimate concern, and it is one that is, I think,
10 foremost in the minds as this agreement is being negotiated, which is that whatever
11 relief there would be from the sanctions, from our own sanctions as well as from the
12 sanctions that have been imposed through the U.N. Security Council, would be in
13 relation to steps taken by Iran.

14 So, as Secretary Blinken noted earlier, the idea here is for phased sanctions relief,
15 phased and tied to specific milestones that the Iranians would have to meet. That is in
16 part designed to ensure that if the Iranians do not meet those milestones, we can
17 reimpose the sanctions quickly because they will have been suspended, not terminated.

18 And it is important that our international partners, as part of this agreement, are
19 buying into that same phased approach so that if Iran does not meet its milestones, if it

1 does not fulfill its commitments, not only will our sanctions go back into effect, others
2 will as well. And they are all committed to reimposing the sanctions.

3 But, so I think it is a legitimate concern, but one that we are trying to address by
4 the way that the agreement is being constructed.

5 **SENATOR MURPHY.** And there was a legitimate concern raised about the JPOA that
6 did not end up coming true. People said that this would be unraveling of the sanctions,
7 and I think even our loudest critics now accept that those sanctions can be reinstated
8 because they have held together.

9 Secretary Blinken, just talk about what happens within the P5+1 if we reach an
10 agreement that our partners are enthusiastic about, that they are able to get domestic
11 support for, and then the Congress disapproves it. What happens in that situation in
12 which we have an agreement that our partners have consented to and the
13 administration has consented to, but Congress rejects?

14 **MR. BLINKEN:** Senator, I think you are putting the spotlight on a fundamental
15 point that is very important, I think, to keep in mind just as a general proposition,
16 which is that we are not the only ones who have a vote in this. It is our partners who
17 are critical to sustaining and, if it comes to that, actually increasing sanctions.

18 And so, working to keep them onboard has been a critical effort by the President
19 repeatedly over these years. There are several partners beyond the P5+1, for example,

1 who — for whom implementing these sanctions is a real economic burden or poses real
2 burdens. Keeping them onboard is going to be an effort.

3 So if we wind up in a situation where we have reached an agreement that all of
4 our partners believe is in their security interests, our security interests, the security
5 interests of other partners beyond those making the agreement, and then that
6 agreement was to be in some fashion unraveled here, I think what would result is the
7 sanctions regime that so many in this chamber have labored so hard to put in place, that
8 would likely unravel.

9 So far from being able to implement additional sanctions, we would be unable
10 probably to implement the existing sanctions regime. Iran would be off in that sense
11 potentially scot free. That is at least a danger that we would have to grapple with.

12 **SENATOR MURPHY.** Secretary Blinken, one question on sanctions. As a potential
13 tool at the negotiating table, consider a resolution from the United States Congress
14 stating our clear intent upon the failure of negotiations to reach fruition to enact the
15 kind of crippling sanctions that we are all beginning a discussion about today.

16 Clearly, it would be nonbinding but would put the majority of the Senate on
17 record, stating our intention to move very quickly and expeditiously with sanctions.
18 Would that resolution be a violation of the JPOA, and would it be helpful to your
19 negotiating position over the course of the next few months?

1 **MR. BLINKEN:** I do not believe it would be a violation, and I think it would be
2 consistent with the approach that we have taken, enabling us both to, you know, make
3 clear what would follow if the Iranians do not reach an agreement. And at the same
4 time not putting us in a position where we risk destabilizing the strong coalition that we
5 built to impose sanctions.

6 So it sounds, at least on the surface, that that would be consistent with the
7 approach that we are taking.

8 **SENATOR MURPHY.** Thank you very much, Mr. Chairman.

9 **THE CHAIRMAN.** Senator Johnson?

10 **SENATOR JOHNSON.** Thank you, Mr. Chairman.

11 I would like to thank Senator Purdue for switching positions with me here.

12 Mr. Blinken, just reviewing U.N. Security Council resolutions, the goal or
13 certainly a requirement of U.N. Resolution 1696 was to ask or call for Iran to suspend
14 enrichment of uranium. 1737, same requirement, suspend enrichment. 1747 stated that
15 the nuclear program must be verified as only peaceful, and I will come back to that.

16 Resolution 1803, Iran must halt its enrichment. 1835 basically reaffirmed the
17 previous four U.N. resolutions. Then 1929 again calls for the halt of enrichment by Iran.

18 Who or at what point in time did we abandon that requirement?

19 **MR. BLINKEN:** Senator, thank you.

1 I think what we know is and what we have seen is that Iran has mastered the fuel
2 cycle. We cannot eliminate that knowledge. Nothing we do can do that. We could not
3 sanction away that knowledge. We cannot bomb it away. They have mastered it.

4 So, in our judgment, what is critical to our security and that of our partners is to
5 establish a comprehensive solution that gives us the confidence because of the
6 extraordinarily stringent restrictions on that program as well as the exceptional access
7 that inspectors would have that, as a practical matter, they cannot produce the fissile
8 material to make a bomb.

9 That is the way to get at the concerns that motivated the U.N. Security Council
10 resolutions.

11 **SENATOR JOHNSON.** Again, it is a pretty simple question. When did we abandon the
12 goal of not allowing them to enrich uranium?

13 **MR. BLINKEN:** In the course of the negotiations with them, I think it became clear
14 not only to us, but also to all of our partners that Iran was not going to give up, as a
15 practical matter, some very limited forms of enrichment in the event of an agreement.
16 So, again, that knowledge cannot be —

17 **SENATOR JOHNSON.** The JPOA, basically, we abandoned that. Correct?

18 **MR. BLINKEN:** In the course of the negotiations and the JPOA foresees a final
19 resolution that includes an extremely limited and constrained enrichment capacity.

1 **SENATOR JOHNSON.** Mr. Cohen, in your testimony, you said there is no higher
2 priority than to prevent Iran from obtaining a nuclear weapon. And you said the goal of
3 the negotiation was to, and I believe this is your quote, "guarantee that Iran cannot
4 obtain a nuclear weapon."

5 As long as they are enriching uranium how can you possibly guarantee that they
6 will not obtain a nuclear weapon?

7 **MR. COHEN:** Senator, the intention, and I think it is consistent with what Secretary
8 Blinken has said, is to ensure if there is a deal to be had here, that the timeline for
9 breakout is such that we would be in a position to respond. So that if Iran does not
10 adhere to its commitments under — under an agreement, we will be able to take action
11 to ensure that they do not obtain a nuclear weapon.

12 **SENATOR JOHNSON.** That would be military action then. So, in other words, give
13 ourselves enough time to conduct military action so they cannot obtain a nuclear
14 weapon. Is that basically the administration's policy?

15 **MR. COHEN:** I think there are a variety of steps that could be taken upon the
16 detection that Iran was not adhering to its commitments.

17 **SENATOR JOHNSON.** We have had testimony before this committee how incredibly
18 expensive it is to enrich uranium and also that if you have a peaceful nuclear program,
19 there is absolutely no reason to enrich uranium because you can readily — you can
20 obtain it readily in the open market. Is that not correct?

1 **MR. COHEN:** That is correct.

2 **SENATOR JOHNSON.** With that in mind, Mr. Blinken, you said earlier that you cannot
3 imagine any other country would subject themselves to the isolation, the sanctions, the
4 harm to its economy that Iran is subjecting itself to. So let me just ask a simple question.
5 Why is Iran subjecting itself to the isolation, the sanctions, and the harm to the
6 economy if it were not other than to obtain a nuclear weapon?

7 **MR. BLINKEN:** Senator, I think it is an excellent question. I think what we believe
8 is that they clearly had military aspirations for their program, and indeed, at least until
9 2003, were pursuing weaponization activities. It is — one can certainly ask why a
10 country that is so rich in oil resources would need an expansive nuclear program, even
11 a civil nuclear program. Those are all extremely good questions.

12 Here is what they say, and I am not saying that I agree with any of this. They say
13 that they want to devote more of their oil resources to exports and remain energy self-
14 sufficient, hence a nuclear power program. They say they want to —

15 **SENATOR JOHNSON.** Again, which they could obtain the material —

16 **MR. BLINKEN:** Absolutely, yes. That is exactly —

17 **SENATOR JOHNSON.** — on the open market?

18 **MR. BLINKEN:** That is exactly right. And that is why —

19 **SENATOR JOHNSON.** So, again, is the answer not obvious? They can make this pain
20 go away tomorrow. They could end the isolations. They could end the sanctions. They

1 could improve their economy by just suspending, ending, halting their nuclear
2 enrichment program, but they are not doing that.

3 **MR. BLINKEN:** Absolutely. And that is something that we have pointed out to
4 them repeatedly.

5 **SENATOR JOHNSON.** So how do we ever —

6 **MR. BLINKEN:** So —

7 **SENATOR JOHNSON.** — have a successful negotiation? How do we ever get a good
8 deal with a regime that is behaving this way?

9 **MR. BLINKEN:** So I think a few things have happened. And again, this is the
10 subject of a lot of analysis and assessments, and also this is something we can discuss in
11 a different setting. And I am not vouching in any way, shape, or form for the Iranians
12 or what they believe or what their needs are. But I do think that what has developed
13 over time is a sense of national pride about the program, a huge investment ironically
14 made in the program, and a desire to sustain some pieces of it.

15 From our perspective, what is critical to our security and that of our partners is
16 that if they are going to have a nuclear power program of any kind, it is so constrained,
17 so limited, so inspected that it cannot, as a practical matter, be used to produce material
18 for a nuclear weapon, and it would give us plenty of time to do something about it if
19 they did.

1 **SENATOR JOHNSON.** One final question. Why does the President of the United
2 States believe he is the sole person, the only representative of the United States that can
3 actually decide whether or not the deal with Iran is a good deal or a bad deal for our
4 entire nation? Why does the President believe he is the only person that should have
5 that authority, does not believe that this is really more like a treaty that would require
6 ratification by Congress?

7 **MR. BLINKEN:** Senator, I do not think that he believes that or that we believe that.
8 Indeed, as we have discussed earlier, one of the most powerful levers we have to make
9 sure that Iran makes good on any commitments it makes under an accord, if one is
10 reached, is precisely the ability of Congress at the — after Iran has made good on its
11 commitments to actually end big pieces of the sanctions regime that Congress has put in
12 place.

13 That is a tremendous power. Congress has to be fully part and parcel of doing
14 this. Just as Congress was critical to establishing the sanctions regime, just as we seek
15 these consultations going forward on the details, at the end of this, the role is absolutely
16 critical.

17 So, in effect, you will have a very strong vote, and I think the Iranians are very
18 well aware. That is why we want to keep ending — the ending part of the sanctions, as
19 opposed to suspending, to the far end of the process, to hold Iran to whatever
20 commitments it makes.

1 **SENATOR JOHNSON.** Thank you.

2 Thanks, Mr. Chairman.

3 **THE CHAIRMAN.** Thank you.

4 Senator Kaine?

5 **SENATOR KAINE.** Thank you, Mr. Chairman.

6 And thank you to the witnesses.

7 I have been a strong supporter of the administration's diplomatic efforts with
8 Iran and the P5+1. We all share the goal of an Iran with no nuclear weapons, and the
9 termination of any such intent diplomatically rather than militarily is preferable to
10 everyone.

11 I think the JPOA has been a success. There were those who predicted it would
12 lead to an unraveling of the sanctions regime. It did not. There were those who
13 predicted it would lead to a surge in the Iranian economy. It did not.

14 There were those who predicted that Iran would not meet its obligations under
15 the JPOA, and they largely have. And I am sure in Iran, there were those predicting the
16 U.S. would not meet our obligations under the JPOA, and we have. I think skeptics at
17 the origin now realize that the JPOA has largely been successful.

18 With respect to a final deal, I have a series of very significant concerns. First, a
19 deep skepticism about Iran. Within the last 48 hours, the U.S. has had to position ships
20 in the Red Sea to potentially engage in an evacuation of the U.S. embassy in Sana'a, a

1 very, very serious contingency that is likely enough that we have had to position
2 military assets there. All understand that the Houthi effort to topple the government in
3 Yemen has been supported and funded through Tehran.

4 Tehran has basically turned the Assad regime into a puppet state. They have
5 done that in Iraq for years. They are currently involved in activities to destabilize the
6 governments of nations as near as Bahrain and as far away as Morocco. So separate and
7 apart from this nuclear negotiation, Iran is engaged in activity today that should make
8 us be deeply skeptical about their intentions.

9 Second, I am worried about the negotiation and the potential consequences of it.
10 The United States was engaged in a negotiation with Libya over the dismantling of their
11 nuclear program, and they gave up their nuclear weapons. Now Libya is no good
12 example for anything now, but imagine the chaos of Libya if the weapons had survived.
13 We were involved in a deal, and it dismantled their weapons program.

14 The United States was involved in a nuclear negotiation with North Korea where
15 we asked them to seize — to freeze their program. They cheated, and they have nuclear
16 weapons now.

17 I want this deal to look more like the deal with Libya, a dismantlement, than
18 trying to make a deal about, well, let us just freeze it for a while with a nation that has
19 proven to be very untrustworthy. Because I think if it is only that kind of a deal, the
20 end result is more likely to be the North Korean situation.

1 Iran has made it pretty plain in the course of this JPOA negotiation. This is now
2 not a negotiation about Iran dismantling a nuclear weapons program. It is a negotiation
3 about trying to buy a year of time, to have an alarm bell ring and then for us to act.

4 So we are already going down a path in this negotiation, in my view, where it is
5 more like the Korea — it is more like the Korean scenario than the Libyan scenario.

6 The number of centrifuges that are being contemplated. I have a different point
7 of view than Senator Johnson. Some residual enrichment capacity by Iran does not
8 trouble me, and that could be part of the deal. But it would have to be a capacity that is
9 consistent only with a civilian nuclear program and not civilian plus a whole lot more
10 that could only be used for a weaponry program.

11 And the kinds of things I have been hearing from the negotiating team about the
12 number of centrifuges contemplated in this deal, this is not consistent with a purely
13 civilian program.

14 And finally, the point that was made by I think it was Senator Gardner or, no,
15 Senator Barrasso, this is going to trigger an arms race in the region. Our allies and
16 others who are not our allies are telling us this.

17 And if all we get with a deal like this is Iran agreeing to, well, we will give you a
18 year before we break out, then other nations are going to start trying to say, okay, I got
19 to be able to have nuclear capacity within a year. They are going to have to engage in

1 those behaviors. Saudi Arabia, Turkey, Egypt, if it is just a year we are buying, they will
2 undertake similar activity.

3 I think Congress has to weigh in on a final deal. I support the JPOA. I support
4 the administration's diplomacy, but I think we have to weigh in. And the reason we
5 have to, and I understood Senator Murphy's point, constitutional. He is right about
6 many such deals, but he is not right, I do not think, about this deal.

7 Because this deal is fundamentally about one thing on our side. Under what
8 conditions will a congressionally imposed sanctions regime be dismantled?

9 If the administration was negotiating about other things and saying we are not
10 going to touch the congressionally imposed sanctions regime at all, then congressional
11 approval would not be warranted. But there is no condition under which you are going
12 bring a deal back that does not involve Iran wanting relief from congressional sanctions.

13 And so, since this deal is fundamentally the only real lever we have is the
14 congressionally designed sanctions regime, effectively implemented by the
15 administration that has brought it around to the table, the only lever in this negotiation
16 is the congressionally imposed sanctions regime. And I do not think that the — while
17 limited waivers were certainly contemplated, I do not think a blanket suspension for a
18 period of time was contemplated by that language.

19 And so, I do think it is very important for Congress to be able to weigh in onto
20 this deal, especially given the actor that we are dealing with.

1 Now a couple of quick questions. How confident are you, for either of you, that
2 the United States or the IAEA can detect clandestine nuclear sites? I understand newer
3 and newer iterations of technology required or acquired are harder to detect. How
4 confident are you on that, and talk about the way you are approaching the inspection
5 especially of clandestine sites in this negotiation.

6 **MR. BLINKEN:** Thank you very much, Senator. And I can also address some of the
7 other important comments you made.

8 What we know is this. The access that has already been achieved under the
9 interim agreement, under the JPOA, is beyond anything we have had, and that has
10 already enhanced the ability of the IAEA and, indeed, our own people to have a better
11 understanding of what Iran is doing and what it is not doing. Any agreement that we
12 reach, and this is something again we can go into in a classified setting, would have to
13 have more stringent requirements still in terms of monitoring, in terms of access, in
14 terms of transparency all along the production line.

15 So will we have 100 percent certitude? No. I do not think that is possible. Can
16 we significantly increase our ability and the ability of the international community to
17 detect an effort by Iran to develop a covert program or to break out from its overt
18 program? I think we can be in a much stronger place, clearly a much stronger place if
19 we are able to get the agreement we want, than we even are under the JPOA, which is
20 already better than it has ever been.

1 And clearly in a much better place than we would be if there is no agreement or
2 if we were in the pre-JPOA world. So this is something we will build on.

3 By the way, I should have mentioned earlier in response to several questions,
4 including Senator Markey, one of the other reasons that I do not think countries are
5 going to rush to do what Iran did is precisely because of the limitations in terms of
6 transparency, in terms of inspections, in terms of monitoring that will be imposed on
7 their nuclear program in the event of some kind of resolution. That is something that,
8 again, most other countries will not want to live with because this would have to go
9 well beyond what is required of other countries.

10 I would just say also very quickly, Senator, we share your concerns and the
11 concerns of other members of this committee of Iran's actions in other areas. That is
12 precisely why we are vigorously implementing sanctions and taking other actions to
13 counter and push back on their efforts to destabilize other countries, on their efforts to
14 proliferate, on their efforts to support terrorism. That will not end even if we get an
15 accord with them on the nuclear program.

16 **SENATOR KAINE.** Thank you, Mr. Chairman.

17 **THE CHAIRMAN.** Very good. Thank you.

18 Senator Purdue?

19 **SENATOR PURDUE:** Thank you, Mr. Chairman.

1 The administration was very clear, Mr. Cohen — and thank you guys for being
2 here today — at the start of JPOA that the sanction relief would be very limited, but the
3 enforcement would be very stringent. Yet in the last 6 months, we have only had really
4 one public announcement of a sanction enforcement action.

5 Can you speak to that and speak to, you know, has Iran stopped its illicit
6 procurement efforts and attempts to bypass our energy and financial sanctions?

7 **MR. COHEN:** Certainly, Senator. As I noted, since the JPOA went effect, we have
8 imposed sanctions on close to 100 entities that are related to Iran, including some this
9 last — the end of December. A set of individuals and companies involved in trying to
10 assist Iran in getting access to U.S. dollars, which remains forbidden.

11 We have had a series of actions taken over the last several months, some in
12 August, some previously. We act when we have the information available to us to take
13 the public designation actions and announce them. That is the tip of the iceberg.

14 We have been continuing to work on ensuring that the sanctions remain in place
15 and remain firmly in place throughout this period, as we were previously, and that
16 means things that do not quite get as much attention as a designation action but
17 working directly with partners around the world, reaching out directly to companies
18 that we think might be getting close to the line and making sure that they understand
19 the power that they are courting.

1 So there have been innumerable actions well beyond the hundred designations
2 that we have taken that have all together, I think, resulted in the sanctions remaining in
3 place, remaining robust over the course of this JPOA. And as you know, as I forget if it
4 was Senator Murphy or Senator Kaine noted, there were a lot of people who questioned
5 whether the sanctions' architecture would remain in place.

6 I think we have managed to keep our sanctions regime very firmly in place and
7 have managed to ensure that the pressure on Iran from the sanctions that have been
8 developed in Congress with the administration, with our partners continue to apply
9 that pressure throughout this period and continue to provide the leverage that our
10 negotiators need.

11 **SENATOR PURDUE:** Thank you. I will yield the balance of my time. I will yield the
12 balance of my time.

13 **THE CHAIRMAN.** Thank you. Thank you very much.

14 Senator Shaheen?

15 **SENATOR SHAHEEN.** Thank you, Mr. Chairman.

16 And thank you both for being here.

17 You know, Deputy Secretary Blinken, I certainly share the view that it is
18 important for us to keep our coalition together if we are going to be successful. And
19 one concern that I have is to what extent we are going to be able to do that, given what

1 is happening with Russia. And so, I wonder if you could talk a little bit about what
2 Russia is doing today?

3 There is a notice of an agreement that Iran and Russia have just signed, and you
4 know, clearly, the sanctions that we have taken against Russia over Ukraine seems like
5 it is going to have an impact on what is happening with Iran. So can you talk about
6 Russia's willingness to continue to be part of this effort and to what extent we are seeing
7 their commitment being reduced or not?

8 **MR. BLINKEN:** At least as of this moment, what we have seen in the context of the
9 negotiations with Iran is Russia continuing to play a constructive role. And I can see
10 how that would be surprising, and indeed, one of the things that I think was a concern
11 was whether Russia would, because of what we are doing to impose severe penalties on
12 it for its actions in Ukraine, because of disputes about other courses of action it has
13 taken, including in Syria, that this would somehow rebound in the nuclear negotiations.

14 But I have to tell you that at least to date, as of now, they continue to play a
15 constructive role, and they have been actually very helpful in pushing Iran in the
16 direction that it has to go in if we are going to get any kind of resolution.

17 And David may want to address, I do not know, anything on the sanctions piece?

18 **MR. COHEN:** Yes, I think we have, I mean, as you know, Senator, imposed a whole
19 set of very powerful sanctions on Russia. It has — I think we will not go into great

1 detail on this here in this setting, but it has had a very significant effect on the Russian
2 economy and on, I think, how they are perceiving what is happening in Ukraine.

3 But I think Secretary Blinken is right, that it has not, to our knowledge, sort of
4 bled over into the Iran negotiations.

5 **SENATOR SHAHEEN.** Well, if you would, talk a little bit more about that because one
6 of the things that I thought was very telling was when Russia canceled the missile deal
7 with Iran several years ago. And we have got Putin, I was just in an Armed Services
8 Committee hearing upstairs where Dr. Brzezinski, former National Security Adviser,
9 talked about Putin's comments around using nuclear weapons during this Ukraine
10 conflict and suggesting that that might be a possibility at some point.

11 So, you know, can you — to what extent do we believe that Russia continues to
12 be very concerned about Iran developing a nuclear weapon, and how is what is
13 happening in Ukraine affecting that?

14 **MR. BLINKEN:** Senator, I think it does share that concern, which I think explains
15 largely why it has been, at least again until now, a constructive partner in the efforts to
16 make sure we put in place something that denies, as a practical matter, Iran the ability
17 to develop material for a weapon.

18 You know, there have been reports, over the course of the negotiations, of Iran
19 starting to do deals — excuse me, Russia starting to do deals with Iran. None of that to
20 date has materialized, and indeed, if Russia or any other country seeks to evade the

1 sanctions, I know that the Treasury Department will come down on them, as it has on
2 sanctions violators throughout this process.

3 There is pressure on Russia to look for new markets, new customers, new
4 countries with whom to engage precisely because in Ukraine we have had a significant
5 impact on their economy and on their ability to do business in some areas. But again, at
6 least as of now, within the context of the negotiations, they remain a good partner.

7 **MR. COHEN:** If I could just elaborate on one point that Secretary Blinken alluded to
8 there? The first reports of a potential Iran-Russia oil-for-goods deal came up, I think, in
9 the fall of 2013. And at that point, I recall testifying and saying if — if Russia were to do
10 such a thing, that we would take action. We would impose sanctions. And it was met, I
11 think, with skeptical looks on the notion that we would ever impose sanctions on
12 Russia.

13 I think we have disabused certainly the Russians of any notion they may have
14 that we would not take firm action under our sanctions authorities if they were to
15 engage in behavior that is sanctionable, including working with the Iranians on an oil-
16 for-goods deal.

17 **SENATOR SHAHEEN.** Thank you.

18 Can you also — shortly after the JPOA was negotiated, there were a lot of noise
19 in some of the European capitals about trade deals with Iran and trade delegations that
20 were being sent to Iran. Can you talk about what is happening to date, if any of those

1 have successfully negotiated any deals, assuming there is an agreement would be
2 reached and sanctions would be lifted?

3 **MR. COHEN:** Yes. And I know, Senator, this has been a longstanding concern of
4 yours and something that we have been watching very closely, as have our colleagues
5 at the State Department.

6 We are not aware of any deals that have been struck in the event that a
7 negotiation is successful. And I will say that under our sanctions authority, executory
8 contracts of that sort, where you have an agreement that goes into effect when a future
9 event occurs, are sanctionable. And we have made clear in all of our public messaging
10 and all of our outreach that a deal that is contingent upon a lifting of sanctions in the
11 future is immediately sanctionable today.

12 **SENATOR SHAHEEN.** And do we have any idea how many delegations have actually
13 visited Tehran?

14 **MR. COHEN:** I do not have that number right at hand. There have certainly been,
15 you know, quite a few that have visited, no question about that. But you know, we
16 have — we have tracked it. We have reached out on many occasions to some of the
17 sponsors of these trips, some of the entities that are involved to make sure that they
18 understand what the rules of the road still are.

19 **SENATOR SHAHEEN.** Thank you.

20 Thank you, Mr. Chairman.

1 **THE CHAIRMAN.** Thank you.

2 Senator Flake?

3 **SENATOR FLAKE.** Thank you, Mr. Chairman, and thank the witnesses.

4 Like many in this room, I have been supportive of these negotiations. I applaud
5 the administration for undertaking them. I think it is incumbent on us to look for every
6 avenue.

7 We often say that the purpose of sanctions is to get parties to the table. They are
8 at the table, and so I am confused by the notion that some would want to impose
9 additional sanctions while negotiations are going on, recognizing and stating that the
10 purpose of sanctions is to bring people to the negotiating table.

11 Having said that, I am as skeptical as anyone that Iran will actually come
12 through and follow through on their agreements for the long term, and I certainly hope
13 they do. I am as concerned as you are about breaking up this coalition that we have, the
14 P5+1. These sanctions have been effective because they are multilateral, and I am very
15 concerned that that will break up.

16 They are at the table because this has been Iran versus the West rather than Iran
17 versus the U.S., and I think that is what we need to make sure continues. And so, I am
18 sensitive to the administration's concern that Congress move ahead now with
19 additional sanctions even triggered that might upset the negotiations and fracture the
20 coalition, the effective coalition that we have.

1 I do believe that if the administration thinks that they can conclude an agreement
2 and move on without Congress weighing in, however, at some point on that agreement,
3 that is a bridge too far. It is our right and our responsibility to weigh in on an ultimate
4 agreement, and so I will be anxious to see the administration's formal response to the
5 chairman's proposal and look forward to those discussions as well.

6 But I also, just as a side agreement, I am glad to see that Treasury, and
7 particularly OFAC, has lessened its load a bit by changing our policy toward Cuba and
8 that we are not spending so much time and resources licensing Americans to travel to
9 Cuba and can free up resources and time and effort to make sure that these agreements
10 and the sanctions that we currently have and future sanctions, if they should be ramped
11 up, that we have the resources to actually do that.

12 But a lot of the questions I had that I was going to ask have been answered
13 already. So I would just say that I applaud the chairman for putting forward the
14 proposal he has in terms of Congress weighing in on an ultimate agreement.

15 But I hope that we are sensitive to these negotiations. I do believe that as many of
16 us have discussed here, that if this JPOA were to continue in perpetuity, it would not be
17 such a bad thing. As long as that breakout time is significant enough and that Iran is
18 not progressing toward a nuclear weapon, that is what our goal should be.

1 And so, I hope that we can stick with these negotiations. I hope that they are
2 fruitful in the end. But I am certainly willing to play as constructive a role as I can as a
3 member of this committee to make sure that that happens.

4 So thank you, Mr. Chairman.

5 **THE CHAIRMAN.** Thank you, Senator.

6 Senator Coons?

7 **SENATOR COONS.** Thank you, Mr. Chairman. Thank you for holding this hearing
8 and for the constructive relationship that you and our ranking member have had on this
9 important issue.

10 And I, too, support the administration's strong and persistent and determined
11 efforts to bring Iran to the table, and congressionally enacted and administratively
12 implemented sanctions have made a critical difference in changing the trajectory of
13 Iran's illicit nuclear weapons program. Like many of my colleagues, I have deep
14 suspicion of Iran's intentions and actions, rooted in their human rights violations, their
15 support for terrorism regionally and around the world.

16 Developments even today in Yemen that suggest they continue to engage in
17 activities not just their illicit nuclear weapons program, but in many other ranges that
18 should give us deep pause about any agreement with them. Nonetheless, I think you
19 have made significant progress in getting them to the table and in continuing
20 negotiations.

1 But I will just reassert that no deal is better than a bad deal and that a deal that
2 we cannot ultimately enforce and that we cannot ultimately live with in terms of where
3 it leaves us in the long term or the short term is worse than no deal at all. And one of
4 my core concerns is whether or not we really will have the time to react, we will be
5 really able to detect cheating and leakage, and whether we will be able to sustain the
6 sanctions coalition that you have so successfully convened and put into place around
7 the world.

8 First, just to comment, if I might, to the nominee to be the Deputy Director of the
9 CIA, my congratulations on your great leadership and work in sanctions enforcement.
10 One positive of the omnibus that I think was not widely remarked on was an increase in
11 the resources for sanctions enforcement. And whether it is the lightening of the load
12 that Senator Flake referenced, or an increase in appropriated resources, it is my hope
13 and my confidence that your successor will continue this same determined and
14 vigorous enforcement of sanctions that has been the hallmark of your time there.

15 Let us get into, if we might, both where this deal as imagined and described
16 would leave us and then where we are today.

17 First, where it would leave us. One of my core concerns, expressed eloquently
18 earlier by Senator Kaine, is that we are no longer negotiating the dismantling of Iran's
19 nuclear infrastructure. We are negotiating for them to retain enough enrichment

1 capacity and enough facilities that we have confidence that their breakout time is no
2 less than a year.

3 What does that leave us in 2021 or shortly thereafter? I know the exact length of
4 the agreement is not yet finalized, but how do we avoid the regional proliferation that
5 would come from an agreement that essentially locks in Iran as a threshold nuclear
6 power? And how do we ensure that the message that the region and the world takes
7 from this agreement is not that we have assented to there being a threshold nuclear-
8 weapons-capable power?

9 **MR. BLINKEN:** Senator, thank you very much. Just very quickly, we, first of all,
10 share your deep suspicions about Iran and its actions. That is precisely why we are
11 driving to get a deal, if we get one, that satisfies very stringent requirements.

12 We also fully agree with you and other members of the committee that no deal is
13 better than a bad deal. Indeed, there have been opportunities to take a bad deal. Some
14 of our partners would have been willing in some of these areas to settle for things that
15 we are simply not prepared for and will not settle for. So we very much agree with the
16 premise that you and other members of the committee have put forward.

17 In terms of where Iran is at the end of this, again, a few things. In our judgment,
18 the 1-year breakout time is critical but also very conservative. Beside the material for a
19 weapon, they need a weapon itself. So we will be vigilant about their efforts to return

1 to weaponization. They need an ability to deliver the weapon. We will remain vigilant
2 about that.

3 Then we are also being conservative because, quite frankly, it is a little bit hard to
4 imagine Iran or any other country breaking out in that fashion when they get to one
5 weapon's worth of material. It would be much more logical, if they were to go down
6 that path, to accumulate enough for several weapons, which would take much longer.

7 But if we have the 1-year period, we believe that that would give us plenty of
8 time, if it proves necessary, to take whatever steps are necessary to reverse that action.
9 It may be resuming economic pressure. It may be military action or other things.

10 In terms of where they are left, to come to your question, they will not be, in a
11 sense, a threshold state at the end of this. They cannot become a nuclear weapon state
12 through the front door, first of all. There will be a permanent ban on weaponization
13 activity. They will permanently have to apply the additional protocol to ensure, to the
14 best extent possible, there is no undeclared program. There will be extensive IAEA
15 safeguards on the declared program to ensure that there is no diversion.

16 For the duration, obviously, we will have the enhanced monitoring and access.
17 That will allow us to understand, better than ever before, every nook, every cranny,
18 every person, every place, every document involved in the program. So even beyond
19 the duration of the agreement, that knowledge will give us a much greater ability to
20 detect whether they are trying in any fashion to break out.

1 And, of course, at the end of whatever the duration is, we retain exactly the
2 capacity we have today to take action, if they do something that threatens our security.

3 We will be no worse off, and, indeed, we will be infinitely better off, given the
4 knowledge that we will accumulate over time about their program.

5 So the idea that Iran would be treated at the end of this kind of agreement as a
6 nonnuclear weapons state was actually one that was first advanced by the previous
7 administration. And, indeed, our partners around the world, and this goes to what I
8 think Senator Flake said a moment ago, the purpose of these sanctions has been to get
9 Iran to the table in order to negotiate something that gives the international community
10 confidence that any nuclear program Iran has is going to be for peaceful purposes.

11 And should they violate any of those commitments, we would be able to do
12 something about it. So as an effective matter, as a practical matter, they cannot break
13 out.

14 That is what we are striving to achieve. And again, we hope we can get there by
15 March.

16 **SENATOR COONS.** And I am concerned that centrifuge R&D also be a central part of
17 the negotiations, because perhaps in the first phase of the JPOA, it was not as fully
18 embraced as it should have been. My sense is that, moving forward, it now is.

19 There are two different ways that they could expand their breakout time. One
20 would be the accumulation of potentially fissile material. I think the JPOA has dealt

1 with that effectively, and my understanding is the negotiations have that clearly in its
2 sights.

3 A core concern going forward is that they not be allowed in any way to engage in
4 the sort of R&D that would change their breakout time on the backside, whether it is in
5 2021 or through illicit means. We do need to shut down any potential centrifuge R&D.

6 **MR. BLINKEN:** Senator, we agree that R&D has to be a critical component of any
7 agreement.

8 **SENATOR COONS.** Thank you.

9 **MR. COHEN:** Mr. Chairman, if I could for just 10 seconds in response to Senator
10 Coons?

11 **THE CHAIRMAN.** Sure.

12 **MR. COHEN:** First, thank you for your kind wishes in my new assignment. I want
13 to ensure you and members of this committee and anybody else who may be watching
14 that the team who will remain at Treasury after I move along is completely committed
15 to ensuring the implementation of sanctions will be robust, probably even better
16 without me being there.

17 That team that I worked with very closely over the past several years is the team
18 that will remain. I am certain that our sanctions will continue to be very, very
19 vigorously enforced.

1 **SENATOR COONS.** Thank you. You have done a great job with limited resources. I
2 am glad you will have even more resources, and I wish you the best of luck in your new
3 opportunity.

4 Thank you, Mr. Chairman.

5 **THE CHAIRMAN.** Thank you.

6 Senator Paul?

7 **SENATOR PAUL.** Thank you, Mr. Chairman.

8 When our Founders brought together our Government, they brought together
9 coequal branches. And the hope was that they would pit ambition versus ambition, and
10 the ambitions of Congress to maintain its power would be pitted against an executive
11 who wanted more power, and that this back and forth would check and balance power.
12 I am glad to see today that there is some exhibition that on both sides of the aisle
13 Congress is trying to pit their ambition against the executive and check the power of the
14 executive.

15 In saying this, though, I believe that we have all concluded, both Congress and
16 the executive, that the final passage has to be done by Congress. We are arguing over
17 waivers, suspension of waivers, and how long these waivers will be. If we could get to
18 the crux of the argument, maybe there could be an agreement that could be found.

1 The lesson to us, though, is when we rewrite this legislation, any legislation
2 moving forward, we need to be a little more careful with waivers we give, because they
3 will not want to give them up very easily.

4 As we move forward, I have been one who says new sanctions in the middle of
5 negotiations is a huge mistake and may well break up the sanctions coalition, may well
6 drive Iran away from the table. I have been one who wants sanctions because I do not
7 want war, frankly.

8 There are many on our side who often say, well, we do not need 535 generals.
9 The President should just do what he needs to do in times of war. I think there is a
10 certain analogy to diplomacy, that we do not need 535 negotiators. But I also do not
11 want to give up my right to approve of the negotiation.

12 At the end of this, you want this suspension to go on, I do not know, maybe to
13 the end of the President's term. If I am the Iranians, why would I care to go through all
14 of this to have sanctions relief for a year, a year and a half? You have greater ability to
15 negotiate once you affirm, which is the law, that we will have to pass the final
16 negotiation.

17 Just admit to it. Come to an agreement with Senator Corker, admit to it, what is
18 the law, and then we can have permanent sanctions relief, trade with Iran again, if they
19 will submit. They will be more assured of what we are doing and of the agreement if
20 they know it has to pass us.

1 I have heard whispered when I talk to people on your side, "Oh, those
2 Republicans will never approve anything." But as you listen to us, all the way around, I
3 think there is a nuance of opinion. I think there are several of us on this side who do
4 not blanket say no, we will not vote to approve an agreement. But we want you to
5 know that we have the right to vote, so you come and talk to us, so you talk to the
6 chairman.

7 I have been working with Senator Boxer on an agreement that would not be new
8 sanctions. It would basically be, if they do not comply with the current agreement,
9 sanctions would renew. But I also would like to marry that with what Senator Corker is
10 talking about, the admission, and this would be admission and a signal, but it is the law
11 that you will have to get our agreement in the end.

12 Is there any kind of compromise in there? Maybe. I think you need to talk to
13 Senator Corker. There could be something on the suspension that is a period of time.
14 But I do not know what 90 days really gives you, or 120 days. We could do years of
15 negotiation to get 120 days of sanction relief. They want permanent relief.

16 That is the carrot we are dangling, and we want something from them. We want
17 them to live in a safe, nonnuclear world. That is what we want.

18 So I agree. We keep asking for more and more. Centrifuges have to be part of
19 this. All of it has to be part of this.

1 But I do not know that you gain a lot in the administration by saying that we are
2 not going to agree to what Senator Corker is saying, we are not going to agree that the
3 final agreement has to be done by Congress. In doing so, you bring us to an impasse.
4 There is a chance of an override of a veto, frankly.

5 I am somebody who wants to work to find a middle ground, but I also want you
6 to include some of the language that Senator Corker is talking about, admitting that not
7 only — we do not want to be consulted. I do not want you to come pat me on the back
8 and say, hey, this is what we just did. I want you to ask me for permission, and I want
9 you to present the agreement to us, and I want you to present an agreement we all like.

10 You are not going to get everybody, but I think the vast majority will vote for a
11 reasonable thing. My argument is let us see if we can actually read proposals, talk to
12 individuals, and see if there is some kind of common ground we can find.

13 Thank you.

14 **MR. BLINKEN:** Senator, thank you very much. Just to respond very briefly, first of
15 all, just as a matter of basic principle, we and I personally absolutely welcome the
16 opportunity to consult closely with the chairman, with the ranking member, with every
17 member of this committee, on the way forward on Iran and, for that matter, on any
18 other issues that are before us in foreign policy and national security. So we can
19 absolutely continue this conversation.

1 This is a question of judgment, I think. Our best judgment right now is this, and
2 I think, Senator, you pointed to something very important. You are exactly right. What
3 the Iranians want is permanent relief. And it is precisely by holding back that
4 permanent relief until, over a significant period of time, they have demonstrated that
5 they are making —

6 **SENATOR PAUL.** And actually, I agree with that point. So the idea of suspension is
7 not a bad idea. However, then you need to work with us. I like the idea. We vote on a
8 1-year suspension. Let us find out if they are complying. If we like the terms of the
9 agreement, let us vote again in another year on another year's suspension.

10 But just do not think that you are going to be able to do it by yourselves. If you
11 will acknowledge you have to bring it to us, come and sell us. Democracy is messy.
12 And that is the thing.

13 You have to come and sell us on something. It is not consultation. You have to
14 sell us because we are your boss. We are your coequal in this. We are not your subject.
15 We are your coequal.

16 I fully believe that you can bring, if you have all P5-plus-1 on board with a
17 negotiated settlement, I think you can sell it to us. I, frankly, think it is not an
18 impossible sell.

19 **THE CHAIRMAN.** Thank you, Senator.

1 I will say consultations up until this point have been a phone call in the morning
2 that something is happening. And, generally speaking, while we are receiving that
3 phone call, we are reading the New York Times or someone else's report.

4 So I do want to associate myself with his comments, generally speaking, and do
5 hope we will come to some accord.

6 Senator Udall?

7 **SENATOR UDALL.** Thank you, Senator Corker. Let me join with others in thanking
8 you and Senator Menendez, in terms of trying to work through things and, you have
9 shown it when your positions were reversed, move us in a bipartisan way and get
10 agreements. I hope we continue that as we move along.

11 I very much appreciate having the witnesses here today.

12 At the last, you repeat many things that have been said, but I also support the
13 negotiations. I think it is very important that Congress does not torpedo them and
14 disrupt them. But I think the message you are getting from us is we want a hardnosed
15 negotiation. We want to be involved in the process. Part of it is going through this
16 hearing.

17 I think one of the things you are saying that is absolutely key is, if we were alone
18 doing sanctions without all these other countries, we would be in a much different
19 situation. It is holding the coalition together that is tremendously important.

1 I think we need to remember that when we move forward with whatever the
2 negotiations produce, that we want to keep all those countries together and keep the
3 pressure on. I would like you to just comment on that, but I have a couple questions
4 here.

5 One is, how quickly could we put additional sanctions in place, if you had a
6 failure? That is one.

7 And another is an observation on the side of, we hear a lot about the supreme
8 leader in Iran. We hear a lot about the president. And then we hear a lot about the
9 hard-line. The roles of the various players there, who is going to really determine that
10 Iran signs onto this deal?

11 As you follow this, you begin to wonder who is in charge there. So then that
12 leads to the question, if you have an agreement, who could undermine it in the future?

13 I am going to go ahead and let you take a shot at a couple of those, and maybe
14 follow up here in a minute.

15 **MR. COHEN:** Why do not I take the question about how quickly we could impose
16 new sections, how quickly Congress could impose new sanctions? I think the answer to
17 that is very quickly.

18 It has been done in the past in some of the legislation that has been enacted.
19 There have been sanctions that have gone into effect in a matter of weeks. In some of

1 the executive actions we have taken, those sanctions almost always are immediately
2 effective.

3 So the answer is, we would be able to, working with Congress, as well as
4 working on our own, impose additional sanctions, frankly, as quickly as we want to.

5 **SENATOR UDALL.** And do you think, Secretary Cohen, other countries, the ones that
6 we are working with, if things developed in a negative way, that they would then be
7 willing to join us on that?

8 **MR. COHEN:** It is a crucial question. I think the willingness of other countries to
9 continue to work with us on imposing sanctions, contrary to the economic interests of
10 many of these countries, contrary to economic interests of their businesses, is dependent
11 on their continued belief that we are seeking a negotiated resolution.

12 In the future, if the talks break down, the ability to hold together the
13 international coalition to intensify the sanctions is going to depend, I think, in large part
14 on who our partners perceive is to blame for the breakdown. So long as we do
15 everything in our power to try and achieve an agreement that meets our needs and
16 meets the needs of our partners, and it is Iran that is to blame for not reaching
17 agreement, I think we will have a much better chance of holding together the
18 international coalition and being able to intensify the pressure at that point on Iran.

19 **SENATOR UDALL.** Thank you.

1 **MR. BLINKEN:** Senator, with regard to your question about the various players
2 and, in effect, who is in charge, we obviously have imperfect knowledge of this. But I
3 think what we have assessed, and again this is something we can go into in more detail,
4 there are clearly different power centers in Iran.

5 I think sometimes we have a tendency to look at Iran as if it is the one country in
6 the world that does not have politics. In fact, it does, and they are very intense. The
7 supreme leader has been at least the first among equals for some time. But there are
8 critical other constituencies that factor into their decision-making.

9 I think one of the most powerful things that happened in Iran in recent years was
10 actually the election of President Rouhani, because, in our judgment, that was a reaction
11 to the desire of the Iranian people to improve the economy, to get out from the isolation
12 that they are under, and to move Iran in a different direction. And in the confines of the
13 system, which is obviously heavily confined, that was what Rouhani was trying to be
14 responsive to. Whether that is because he believes it or it was politically expedient, I do
15 not know.

16 I think the supreme leader also has to measure that in factoring in how much
17 leeway he is going to give to the negotiators in the nuclear context.

18 I will say this, to date, again, as IAEA continues to confirm, Iran has made good
19 on the commitments it has made under the interim agreement. It has held to the
20 agreement.

1 Going forward, if the power center changed, as we have made very clear, Iran, if
2 it violated the agreement in any fashion, would be subject to an intense reaction from
3 us. And as Undersecretary Cohen said, if we are able to preserve the unity of the
4 international coalition that you pointed out at the beginning of your remarks, Senator,
5 that will give us a much greater ability to respond effectively to any decision by Iran to
6 violate the commitments it makes.

7 **SENATOR UDALL.** Thank you very much.

8 And thank you, Chairman Corker.

9 **THE CHAIRMAN.** Thank you, sir.

10 Senator Rubio?

11 **SENATOR RUBIO.** Thank you, Mr. Chairman.

12 Secretary Blinken, much of this debate here today has been about the role of
13 Congress and our need to trust in the ability of the administration to craft a good deal,
14 and in the fact that we are going to be consulted. That was the question that you asked.

15
16 So I want to take you back to the last time you were before this committee, and I
17 asked you a question at that time, during your nomination, about whether there would
18 be any unilateral changes or changes in Cuba policy. And your answer, and I want to
19 quote it to you, it said, quote, "Anything that in the future that might be done on Cuba
20 would be done in full consultation, with the real meaning of the word 'consultation' that

1 I just alluded to, with this committee." You told me that the last time you were before
2 this committee.

3 Who did you consult with on this committee? Or who did the administration
4 consult with on this committee before it announced the changes on the 17th of
5 December?

6 **MR. BLINKEN:** Senator, I regret that I did not live up to the standard I set during
7 that hearing and in the remarks that you just quoted. I think that I could have done a
8 better job in engaging with you and consulting with you in advance, and I regret that.

9 **SENATOR RUBIO.** Did you consult with the chairman of the committee?

10 **MR. BLINKEN:** A number of members, I think, were reached out to, consulted.
11 What happened was this —

12 **SENATOR RUBIO.** Who were the members who were consulted?

13 **MR. BLINKEN:** If I could come back to you on that, I would need to, first of all, get
14 an accounting of that and also make sure that any members who were consulted would
15 want that —

16 **THE CHAIRMAN.** If I could interject, I assure you that I was not consulted.

17 **SENATOR RUBIO.** Mr. Chairman, you were the chairman at the time, were you
18 consulted?

19 **SENATOR MENENDEZ.** Well, no. There is a difference between notification and
20 consultation. Being notified when it is going to happen is not consultation.

1 **SENATOR RUBIO.** And the reason why this is relevant is we are being told that we
2 are going to be in the loop on everything that is happening with Iran. We have an
3 example very recently that we were not in the loop.

4 But you were aware at the time that these conversations were occurring with the
5 Cubans, were you not?

6 **MR. BLINKEN:** I was aware generally that they were occurring. I think what
7 happened in the end game was, as you know, Senator, this was a very delicate situation
8 in which we were trying to get our asset back.

9 **SENATOR RUBIO.** It was not more delicate than this.

10 **MR. BLINKEN:** And in the end game of that, there was a lot going on to make sure
11 that happened in a safe and secure way.

12 But again, I come back to what I said at the outset. I think you are right to point
13 it out.

14 **SENATOR RUBIO.** But I am not quarreling with the Alan Gross release. I am
15 quarreling with the policy changes that were made.

16 Why it is relevant to Iran is that we are being asked to trust that we are going to
17 be fully consulted. The use of the word "consultation" as it has been defined by the
18 administration in the last instance that I just cited is problematic.

19 I do not want to make this all about Cuba, not to belabor the point, but I also
20 asked whether there would be any changes in policy absent democratic order. I asked

1 you whether the changes, when you say move forward, move forward on democratic
2 reforms, not simply economic reforms, and you said not simply economic reforms.

3 And clearly, we do not see any democratic reforms. There was release of 53
4 political prisoners. Fourteen had already been released on December 17th. One of them
5 had been released almost a full year before December 17th. Four had fully completed
6 their sentences. Five have been rearrested. And since the deal was done on the 17th,
7 200 new political arrests have occurred in Cuba.

8 But here is why that is relevant to this, because we are being asked as a Congress
9 to sit tight, because we are going to be fully consulted. And it sounds like the only
10 people who are going to be fully consulted are the people who agree with the
11 administration. And if you do not agree with the administration, then you will just be
12 notified.

13 My second point goes to the question that both Senator Udall asked about who is
14 in charge, but also what Senator Johnson asked about why the Iranians would undergo
15 so much pain in pursuit of this.

16 The answer to who is in charge, unless you dispute it, is, ultimately, who is in
17 charge is who they call the supreme leader, the ayatollah. Is that accurate?

18 **MR. BLINKEN:** Senator, he is the first among equals, in our judgment. But he does
19 have other constituencies that he has to factor in.

1 SENATOR RUBIO. All right. Can they possibly agree to a change of the kind we
2 are contemplating without his approval, given the support he has in their legislative
3 branch?

4 **MR. BLINKEN:** It is highly unlikely.

5 **SENATOR RUBIO.** Highly unlikely. So who is this ayatollah? Well, the ayatollah is
6 not simply a head of state as we normally see it, the head of a nation-state. He is a
7 radical cleric who, first of all, he does not just view Iran as a nation-state. He views Iran
8 as a cause, as Henry Kissinger has described it. The cause is to eventually have the
9 entire world living under the flag of Islam. That is actually stated in their constitution.

10 It goes further and states that the ayatollah is not just the leader of Iran. He is the
11 leader of all Muslims in the world.

12 Is that not accurate? That is his position and title.

13 So Iran is where he lives, but he views his mandate as extending to the whole
14 world. But it goes beyond this. These are unambiguous statements on their part. He
15 does not just view himself as a cleric. He views himself as the temporary fill-in for the
16 13th imam, the Mahdi, who under Shia, his interpretation of Shia, and I think the
17 mainstream interpretation of Shia, is an imam that is currently in occultation who will
18 emerge one day in the world and govern the entire world under the flag of Islam. Their
19 stated purpose for the state of Iran is to serve as a base for that effort throughout the
20 world.

1 That is what motivates him. We are ascribing to his regime nation-state
2 characteristics of a normal country that has a cost-benefit analysis about what is in the
3 national interest of Iran. I do not dispute that there might be some political leaders in
4 Iran who hold those views, but the ayatollah, the supreme leader, he does not view it
5 that way. He views it as not just his calling, but his obligation to bring about the arrival
6 of the 13th imam and to unify the world under the flag of radical Islam as he defines it.

7 Here is why that is important. Under his clerical interpretation, and that of many
8 in Shia, the 13th imam cannot emerge until there is a cataclysmic showdown between
9 the Muslim and non-Muslim world. And when a country led by a person who wants
10 there to be a cataclysmic showdown between the Muslim and non-Muslim world has
11 designs on a nuclear weapon, now we have cause for great concern.

12 And that is why they expand their military capability, and that is why they want
13 a nuclear weapon.

14 Now what they have shown is some crafty ability. They reject everything that is
15 not Islamic in the world. They reject the legitimacy of the U.N. They reject the
16 legitimacy of the United States. But they are very crafty. They accept the benefits of the
17 international order — for example, their seat at the U.N. — but while still being able to
18 reject their obligations under that international order.

19 So what have they done with all that? Well, let us go through the timeline. In
20 2003, the position of the world was no enrichment. Then it became, you can enrich up

1 to 20 percent. Then it became, you can enrich over 20 percent, as long as you send it
2 overseas. Now it is, you can enrich up to 20 percent in Iran, as long as it is for a
3 research facility.

4 So if you go by the timeline of what they have been able to achieve over the last
5 10 years, it is pretty impressive how they have been able to use this process. In another
6 5 years, maybe we will build the bomb for them, at the rate this is going.

7 In the meantime, the other two components of a nuclear program move forward
8 unabated. A weapon design, you can buy that. You can buy that. You can buy a
9 weapons design right now. Heck, you can download it online, potentially, if it is a
10 crude weapon.

11 And the missile program continues unabated. They continue to test long-range
12 missile capabilities, not to mention adding to their already considerable conventional
13 weapons capability.

14 So this is why we are very concerned and have a right to be concerned. This is
15 not a traditional nation-state undergoing a cost-benefit analysis. This is a cleric-led
16 regime, a clerical government, with a clear intent of ultimately one day unifying the
17 entire world under the flag of their radical version of Islam, led by someone who
18 believes that will only happen after a cataclysmic showdown with the West.

19 So we have real reasons to be deeply concerned and skeptical about the ability to
20 reach any arrangement, and real reasons to believe that they are willing to accept short-

1 term suspensions because their long-term view is that at the end of the day they are
2 going to be at that showdown point. And if they have nuclear weapons, they are even
3 better off than they would normally be.

4 And that is why we are so skeptical about this deal. We are not dealing with
5 Belgium here. We are not deal dealing with Luxembourg. We are dealing with a
6 radical cleric with a radical view of his obligation and role in the world. And he wants
7 nuclear weapons to be able to do it.

8 And I believe that ultimately, I think no one here could dispute that, ultimately,
9 even if they agree to a short suspension, that is their goal in the long term.

10 And as the North Koreans have shown, you can agree to all sorts of short-term
11 suspensions, and you can always invent a pretext for why now I need the weapon,
12 because of hostilities of the West, because it is time for the hidden imam to emerge,
13 whatever.

14 And that is what we are concerned about. They will retain all the infrastructure
15 that it takes to enrich. They will have a weapons design. They will have a delivery
16 system in the missiles. And at some point, 3 years, 5 years, 10 years, they build a
17 weapon and now the world is at their mercy. That is why we are so skeptical.

18 **MR. BLINKEN:** Senator, just to respond briefly, we share your concern, and we
19 share your skepticism precisely because of Iran's long track record that you alluded to,
20 which is exactly why any agreement we reach has to have the most stringent restrictions

1 on its program and the most stringent requirements on access and transparency and
2 monitoring, to give us confidence that they will not break out.

3 I just want to say, with regard to consultations going forward, I think on this
4 issue, and it is my sense that over the past months and past years, the administration
5 has been here in closed sessions, obviously in open hearings, in one-on-one
6 conversations and smaller group conversations, to layout I think extensively where we
7 are, where we are trying to go, on the Iran negotiations.

8 I commit to you, Mr. Chairman, Ranking Member, Senator Rubio, others, that
9 going forward, we will not only continue that, we will expand that, and we will be up
10 here any time that you want, anyplace, to talk about where we are. And again, some of
11 that, we just have to do in a closed session or in a private group, because the
12 negotiations are ongoing. But we want to make sure that you see the full details of what
13 we are trying to achieve.

14 With regard to the suspicions about Iran and the supreme leader, again, we share
15 them. We could spend all day here going through the outrageous things that he has
16 said in the past, including the recent past, about us, about Israel, about other designs.

17 But sometimes, reality has a way of intruding. And no matter what it is that he
18 may believe and he may want, and no matter his exceptional role in the system, I think
19 you are right about that, he has to deal with the realities that Iran is facing. And he has
20 seen a country that has been subjected to extraordinary pressure economically, that has

1 been more and more isolated. And he is seeing politically that a lot of the Iranian
2 people do not like that.

3 And Rouhani's selection, in our judgment, was in response to that. We have seen
4 him give the negotiators I think more leeway than, frankly, we would have expected
5 possibly at the outset. He has kept the talks going. We continue to make progress.

6 At the end of the day, we will all have to judge whether what we have achieved
7 in any kind of solution meets our security interests. We will not take a bad deal,
8 precisely because we share your concerns and share your suspicions.

9 But this is not happening in a vacuum. And I think we also have to ask ourselves
10 continuously, "As compared to what?" If we are not able to reach an agreement, it may
11 become increasingly difficult to sustain the sanctions regime. It depends a lot, I think,
12 on what Undersecretary Cohen said about who is perceived as being responsible for the
13 failure to get a strong agreement.

14 Many of our partners have come along kicking and screaming to implement
15 sanctions. It has been against their economic interests. We have held them there. A
16 large part of that is because they believe we are trying to drive to an agreement.

17 Indeed, that is the purpose, as has been said of the sanctions, to get them to the
18 table.

1 So we will have to test all of this out. We, again, start from the same proposition
2 you do. We are very, very suspicious. We also see the reality that is intruding on the
3 supreme leader's thinking.

4 Thank you.

5 **THE CHAIRMAN.** Thank you, Senator.

6 If I could say, again, this committee is not proposing anything that breaks us
7 apart from the international partners that we have. I know you keep referring to that. I
8 know that is a red herring that keeps being thrown out. But we are asking, many of us,
9 for consultation and a vote on the deal that we have been so involved in making
10 happen.

11 Senator Risch?

12 **SENATOR RISCH.** Thank you, Mr. Chairman. I will be brief.

13 First of all, put me in the column with the skeptics on this committee, such as the
14 chairman and the ranking member and, likewise, Senator Kaine.

15 I have been sitting through this from the beginning. I thought these guys were
16 going to scam you from the beginning. I am convinced today that they have done that.
17 I think they have us set up for what could be a real disaster.

18 I mean, just think about how they went about this. First of all, what you have to
19 do is look at the background, as articulated by Senator Rubio. But in addition to that,
20 look at the efforts we have had in the past. Go back and read the chapter in Rouhani's

1 book about what he did to the American negotiators, how he kept them at the table, and
2 how he dragged his feet, and how he was using the peace process to actually continue
3 their ambitions to get a nuclear weapon.

4 All right, use that as your background. Then think about the U.N. resolution that
5 said, "Look, Iran, you cannot do this anymore." And Iran said, "Nope, we are going to
6 do it no matter what. We are not even going to negotiate, unless you guys agree that
7 we can have some kind of a program." So now they have crossed that bridge.

8 If you are going to do this and you are going to continue with your nuclear
9 ambitions, going in the direction that Senator Rubio has suggested, why would you not
10 sit down with your enemy, negotiate this kind of deal, and now you know exactly what
11 the enemy is going to know. You are going to know what the inspection regime is. You
12 are going to know how they are going to go about this. And you are going to be able to
13 put together a system where you can continue your ambitions while the people who are
14 supposed to be curtailing you are going about what they are going about and you
15 knowing all the ways they are going to do it.

16 I mean, I think you guys are being bamboozled. I really do. And I hope you can
17 come in here someday and say, "Ha, you doofus, you had no idea what you were
18 talking about." I do not think that is going to happen.

19 These people are bad people. I am on the Intelligence Committee. I sit here and
20 every time we have a problem in that area of the world, whether it is Syria, whether it is

1 Iraq, whether it is Yemen, or whether it is Hezbollah, wherever it pops up, whose
2 fingerprints are on this? It is the Iranians.

3 So look, it is getting late. I appreciate what you guys are doing. Bless you. I
4 hope you can pull it off. But I have to tell you, I thought from the beginning you were
5 going to get scammed, and every day that goes by here, and as I listen to how these
6 negotiations are going, I think you are getting scammed. And I hope I am dead wrong.

7 **MR. BLINKEN:** Thank you, Senator. I would just say very quickly a couple things.

8 I think with regard to what President Rouhani did in his past life as a nuclear
9 negotiator, first of all, we were very much inspired by that in looking at what we
10 insisted on in the interim agreement. It is precisely because we did not want Iran to be
11 able to repeat what it has done in the past, which has been spend endless time talking at
12 a table while it is going full bore with its program, that we insisted that the program
13 effectively be frozen, rolled back in some respects, and we got increased inspections and
14 access that have given us far greater knowledge of the program. So we were inspired
15 by that.

16 I would say, also, I think he is a politician. I suspect some of what he wrote in his
17 book was to appeal as a politician to other Iranians. And, indeed, he is a successful one,
18 since he got elected president.

19 But again, we start from your premise that this is not about trusting. This is
20 about absolutely verifying all the commitments they make.

1 I think with regard to the inspections and access and monitoring piece, again,
2 this is fundamental to any resolution that we would reach. And I believe that we will
3 have the ability, if we reach the kind of agreement that we want to reach, to
4 significantly enhance our ability and the ability of the international community
5 throughout the entire production line and their program to know what they are doing,
6 when they are doing it, where they are doing it. We will develop a base of knowledge
7 that we do not even have now about the people, the places, the techniques that will
8 stand us in very good stead even beyond the duration of the agreement. So we think it
9 is in our interests.

10 And again, right now, based on what we achieved to date with the interim
11 agreement, you remember Prime Minister Netanyahu came before the United Nations a
12 couple years ago, and he held up that drawing of a bomb and there was a line, and it
13 was getting close to filling up the bomb. That was the 20 percent enriched. And he was
14 absolutely right.

15 That was something that was critically important, particularly because it was
16 being produced at a buried facility that is harder to deal with, if it has to be dealt with.
17 Well, that has stopped under the JPOA. No 20 percent produced, stockpile eliminated.

18 The other pathways to a bomb, looking at what they might do at the Iraq facility,
19 the plutonium pathway, there, too, we had deep concerns about it because once that
20 facility is turned on and fueled, it is very problematic, not impossible, but problematic

1 also to deal with in other ways, if we had to do that. We stopped that in its tracks. No
2 fuel. No components. No progress.

3 The third pathway, Natanz, building up a lot of centrifuges at lower enriched
4 levels, and then building up a massive stockpile that can then be more quickly
5 converted to a higher grade, there, too, no new centrifuges, no next-generation
6 centrifuges installed. The stockpile of 4 percent capped at its pre-JPOA levels.

7 So, I believe because you are right —

8 **SENATOR RISCH.** Mr. Blinken, you have said all of that before. And I appreciate
9 that. Like I said, I hope it works.

10 My problem is this. Any inspection regime, any regime that you put together for
11 doing this, they are going to know all about it. They are going to know all the details of
12 it.

13 And just remember that their objective is not your objective. Your objective, our
14 objective, is to stop them. Their objective is to get to that point and doing it such that
15 they are not going to get attacked in the meantime. They are going to know all the
16 details of how to do it. In any regime you put together, there is technology that can get
17 around that. So I hope you are right.

18 Let me just close with this, on a very parochial matter. As we are speaking here
19 right now, the President is on his way to Idaho. And while he is there, pursuant to a
20 request from us, and we are happy he did so, he is going to meet with a woman by the

1 name of Mrs. Abedini. Her husband is in prison in Iran. He should not be. There are
2 three Americans who are there.

3 For the life of me, and Wendy Sherman has had to sit there and listen to me say
4 this month after month after month, why you guys cut loose of all that money, when
5 they are so cash hungry, without putting your hand on it and saying we are going to
6 take it off when those three guys are free, I cannot believe that they would not have cut
7 those guys loose.

8 I want to urge you again. The administration says it is the compassionate arm of
9 the government. So be it. But use some compassion. Help Mrs. Abedini and those two
10 little kids. Let us get this guy home. He has no business being in jail in Iran simply
11 because he is a Christian and was over there doing Christian kinds of things.

12 So with that, my time is up. And thank you, Mr. Chairman.

13 **MR. BLINKEN:** Senator, can I just say, you are absolutely right. Saeed Abedini,
14 Amir Hekmati, Jason Rezaian must be released, regardless of anything else we are
15 doing with Iran. It is an entirely distinct issue. They are wrongly imprisoned.

16 And we need to find Robert Levinson and hopefully bring him home. We fully
17 agree.

18 But we also think that tying that to any agreement, the success or failure, for that
19 matter, of any agreement, is not the best way to get them out.

1 I can assure you, and I think you know this, the only issue that we raise with
2 them on the margins of the nuclear talks every single time, other than the nuclear talks,
3 are those who are unjustly imprisoned in Iran. We are working every day to get them
4 home. We will not stop until we do.

5 **SENATOR RISCH.** Get it done.

6 **MR. BLINKEN:** Thank you.

7 **THE CHAIRMAN.** Thank you, Senator.

8 Senator Menendez?

9 **SENATOR MENENDEZ.** Thank you, Mr. Chairman. Thanks for your courtesy. I just
10 have a couple quick questions and a couple observations.

11 Secretary Blinken, let us be honest, as it relates to consultation, there was
12 consultation, long consultations with members who were in agreement with the
13 President's proposed policy changes, but none who might be in disagreement. That is
14 on Cuba.

15 And that gives rise to the concern that there will be no consultation, but
16 notification only, to those of us who may be concerned about the nature of any
17 agreement or continuous rolling extensions. So I hope you understand that, as it relates
18 to moving forward.

1 It was the subject of your conversation with me when you were a nominee, of
2 questions I asked you here before the committee in your nomination. And I am
3 disappointed.

4 With reference to March 24th, if there is a, quote, unquote, "deal," will that deal
5 be written?

6 **MR. BLINKEN:** At this point, I cannot tell you. My expectation would be that we
7 would be able to show all of the critical elements of the deal. Whether there would be
8 an actual initial agreement that would then be turned into a technical agreement, at this
9 point I cannot tell you.

10 **SENATOR MENENDEZ.** Well, would not the outlines of a deal be something that the
11 Iranians and the P5-plus-1 should be able to sign to at least, so that there is no changing
12 or, "That is not what we understood," or, "That is not what we agreed to"?

13 **MR. BLINKEN:** It would be my expectation that that is where we want to go, but as
14 I sit here today, I cannot tell you exactly what form what we would achieve —

15 **SENATOR MENENDEZ.** It concerns me that we may not have a written agreement.

16 Let me ask you this, there is no deal on March 24th. You cannot come to even the
17 outlines of an agreement. What then?

18 **MR. BLINKEN:** So, Senator, I think if there is no agreement on the core elements of
19 a deal by March 24th, it will depend on exactly where we are. So what I mean by that is

20 —

1 **SENATOR MENENDEZ.** You may very well say, well, let us keep it going.

2 **MR. BLINKEN:** If it is clear by then that we are simply not going to get to yes, by
3 which I mean it is clear that the Iranians will not meet the requirements, then I think we
4 will have to work closely with you on what steps we will take to try to convince them to
5 do that.

6 If, however, we have closed off most of the key chapters, but, let us say, for
7 argument's sake, one of the key chapters remains, that is something we would want to
8 talk to you about to see what the best way to proceed is.

9 Sitting here today, I think a lot depends on exactly where we are. But the bottom
10 line is, if we conclude by the end of March that they are simply not going to do what
11 they need to, that puts us in a very different position.

12 **SENATOR MENENDEZ.** Secretary Cohen, any of those hundred sanctions that you
13 talked about that you levied, was Iran complicit in any of them, in terms of trying to
14 evade sanctions? Or were the individuals just working on their own?

15 **MR. COHEN:** I think for some number of them, I believe some of them, in fact, were
16 Iranian citizens, people in Iran, and others no question that Iran was at least witting of
17 what was underway.

18 **SENATOR MENENDEZ.** So during this period of time of the Joint Plan of Action, there
19 actually were efforts by Iran to evade sanctions. Fortunately, at least in those instances,
20 you caught them. So it gives me another concern about their intent.

1 Let me just say a couple of observations. Number one, with reference to Senator
2 Paul and Senator Boxer, I am not sure that legislation that says that this is what will
3 happen if there is no deal or a violation of a deal, which you say you think, Secretary
4 Blinken, is acceptable, is any different, really, than what we are saying, which is we
5 impose nothing until after the fact if there is no deal. I think that is nuanced, at best.

6 It is interesting to note that sanctions on Russia vis-a-vis Ukraine has not caused
7 them to walk away from what they think is an important deal to be achieved. So the
8 suggestion that sanctions alone that will never happen until after a certain point in time,
9 in which you have either concluded a deal or not, and that will not happen if there is a
10 deal, if the Russians would not walk away with sanctions on Ukraine saying if you are
11 hurting us on this, we are going to hurt you on that is, I think, pretty telling.

12 And to be very honest with you, Secretary Cohen, the overwhelming number of
13 sanctions that this committee has levied through the Congress have overwhelmingly
14 had a much more significant lead period of time than immediate imposition.
15 Obviously, the time frame necessary for it to have an effect on Iran has been even
16 greater.

17 So there is no such thing as an immediate sanction that ultimately has an
18 immediate effect. There are very few of those. It takes time for there to be
19 consequences.

1 I do not know, but it seemed to me it took us a fair amount of time to know about
2 Parchin, which was a covert operation. So I would hate to see that even with what we
3 envision as verification and inspection, that an attempt to do something covert would
4 take us as much time as it took us in Parchin to uncover, and that would be
5 consequential.

6 Finally, Mr. Secretary, you stated that we will have the same ability to respond in
7 the future, should Iran breach or break out, and we will have all options on the table. I
8 think that ignores the reality that Iran will be in a different position.

9 Iran will be able to sell more than 2 million barrels of oil. It will have access to
10 \$100 billion in reserves currently being held overseas. And it will have the ability to
11 procure critical items for its program.

12 It gets a lot from an agreement that will apparently require not dismantling of
13 its program. We get a 1-year alarm bell, which just may not be enough time to react in a
14 nonmilitary fashion.

15 So the very essence of the President's concern and is telling people that, well,
16 sanctions, if it breaks the coalition, then we may be left with only a military option, I
17 will tell you something, if you have nothing in place after a no deal situation, then the
18 President may very well be of his own design in a position in which his only option is a
19 military option or accepting Iran as a nuclear state. And that is a pretty terrible set of
20 circumstances.

1 Now maybe you do not fear that because maybe there is another set of secret
2 letters or deals on the side that we do not know about. There have been a lot of those in
3 these different transactions. So I do not know if there are. Maybe you can tell us
4 whether there are any that we should be waiting upon.

5 **MR. BLINKEN:** There are not.

6 **SENATOR MENENDEZ.** Well, that is good to know. Hopefully, none will surface
7 afterward, because then we will have to have a real conversation.

8 So I will just say, look, I think that to some degree, no one has worked harder to
9 try to get you to the point to succeed. I want you to succeed. But by the same token, I
10 have to be honest with you, you need to succeed in a way that is meaningful, at the end
11 of the day.

12 And there is a bit of a trust problem here, because when you have secret deals,
13 when you do not consult, which is to ask, "We are thinking about preceding on this
14 course. What do you think about that?" versus just telling us, "This is what we have
15 done." That is notification, not consultation.

16 And when Secretary Cohen and Wendy Sherman were here in the past, when I
17 was pursuing sanctions, and I heard all the alarm bells as well, even after I was asked to
18 work with Senator Kirk to come up with a more reasonable sanctions regime, and then
19 have them oppose it before this committee, it creates a real concern about when you

1 raise alarm bells, and that passed 99-0, and now you herald it as part of your ability to
2 get Iran to negotiate. So that is a real concern, as well.

3 So there is a difference between our aspirations and realism. Aspirations had us
4 strike a deal with North Korea, including with one of your present negotiators. Realism
5 is that they ended up being a nuclear arms state. That is what we are trying to avoid
6 here.

7 Thank you, Mr. Chairman.

8 **THE CHAIRMAN.** Thank you, sir. Again, thanks for all your efforts to bring us to
9 this point. I look forward, over the next few days, to see if there is some common
10 ground to address the consultation and Congress' role, ultimately, in this.

11 I do want to say one thing. I know there have been a lot of discussions about Bibi
12 Netanyahu's whatever you might have called his prop at the U.N. I think it is fair to
13 note that with the additional research and development that Iran has done, and they are
14 moving way up the food chain from the standpoint of the centrifuge development, they
15 can move so much more quickly from 0 to 90 percent now that that is almost an old
16 adage. I think you all are very aware of that.

17 And I think that is the concern that we have. It is on the research and
18 development component, and the things they are doing to move rapidly — rapidly —
19 toward being able to get to 90 percent very, very quickly.

1 But let me just give a few closing comments. I, too, want you to be successful. I
2 wake up every day wanting our Nation to be successful in every endeavor. And I think
3 I have shown to this administration my desire to work toward common ground and to
4 try to solve problems. So I want these negotiations to be successful.

5 And I had one of the most impactful meetings, along with a number of people
6 here on the committee, in Israel just in the last couple days.

7 But I think the concerns are, as you look back over the history over the last 10
8 years that some people have alluded to, Iran has stayed here and the P5 began here, and
9 as the negotiations have progressed, what has happened is the P5 and us, being the
10 major driving force, have continued to move toward their position.

11 And I would just argue that, again, having Congress as a backstop as you enter
12 these final steps, having Congress as a backstop, someone that you do, in fact, not only
13 have to consult with but you have to seek their approval, would be somewhat of an
14 anchor to keep us from continuing to move toward their position.

15 I think it would be very difficult for you to say that there has not been a continual
16 movement toward their position. I mean, you look at where we began with the U.N.
17 security resolutions, you look at where we began with us potentially agreeing to them
18 having enough centrifuges to serve their, quote, "practical needs," which, as I
19 understand it, every scientist has said was about 500 centrifuges, and I think you would
20 tell me today we have moved way beyond that.

1 So I would just say to you, Congress can be an excellent backstop to you as you
2 are moving down the road.

3 I thought Senator Kaine probably expressed it better than any of us here. When
4 we entered into these agreements that Senator Menendez was so much a part of,
5 meaning the sanctions, I do not think anyone in giving you the national security
6 waivers ever thought the President was going to suspend them, in all likelihood, until
7 the end of his term. I do not think anybody ever thought that.

8 So the fact that we know that if you do that, the entire sanctions regime falls
9 apart. I have tremendous respect for Secretary Cohen. But the fact is, these take a long
10 time to put together. And so, again, to have to come to us on the front end of a deal,
11 before you dismantle the entire regime, to me, is an incredibly important step that I
12 hope you with will consult with us on.

13 We laid out a proposal. We hope you will consult. And we hope you will come
14 to an agreement that takes into account some of the nuance that you pointed out earlier,
15 that you would like us to discuss.

16 But just stiff-arming, and saying after the role that we have played, to basically
17 put the international community at the table just to stiff-arm, say, "No, we really do not
18 want you to play a role. You want you just to trust us," is totally unacceptable, from my
19 standpoint.

1 So look, the supreme leader, we keep referring to him. And apparently as we
2 negotiate, we seem to be more concerned about the supreme leader's position than
3 anyone else's. I just want to lay out one thing. The supreme leader has said publicly
4 that one of his major concerns is that Iran enters into an agreement and somehow, over
5 time, Congress changes its mind.

6 We have a presidential race that is coming up. I assure you that the Iran
7 component will be a major part of the next presidential race. I believe that to be the
8 case. And so, since there is so much concern about the supreme leader and him walking
9 away or doing whatever, I would just say that Congress' approval of a deal to me
10 would be reassuring that whatever deal that you have done will stand the test of time.

11 So I would encourage you to sit down, to walk through with us some of the
12 concerns you have about timing. But I would say that general movement today is
13 toward Congress playing a role. I think, again, just stiff-arming does not take us to a
14 place that probably meets the test that both of us need to meet. And I would encourage
15 you again to sit down and talk with us.

16 We thank you for being here today. We thank you both, in spite of our concerns,
17 for your service to our country.

18 Let me just give some formalities.

19 For the information of the members, the record will remain open until the close
20 of business Friday, including for members to submit questions for the record.

1 We ask the witnesses to respond as promptly as possible. Your responses will
2 also be made a part of the record.

[The information follows:]

[COMMITTEE INSERT]

3 **THE CHAIRMAN.** With the thanks of the committee, this hearing is now adjourned.

4 Thank you.

[Whereupon, at 12:27 p.m., the hearing was adjourned.]

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