Iran:

U.S. Commends Nations for Joining in the Enforcement of Sanctions

Statement by President Obama, July 1, 2010[1]

President Barack Obama delivered this statement in Washington, DC

President Obama. Thank you. Please have a seat, everybody. Good evening, everybody. As President, one of my highest national security priorities is to prevent the spread of nuclear weapons. That's why my administration has aggressively pursued a comprehensive agenda of non-proliferation and nuclear security.

Leading by example, we agreed with Russia to reduce our nuclear arsenals through the New START Treaty—and I've urged the Senate to move forward with ratification this year. And with allies and partners, we've strengthened the global non-proliferation regime, including the cornerstone of our efforts—the Nuclear Non-Proliferation Treaty.

Now, in the entire world, there is only one signatory to the NPT—only one—that has been unable to convince the International Atomic Energy Agency that its nuclear program is for peaceful purposes. One nation. And that nation is Iran. For years, the Iranian government has violated its commitments, defied United Nations Security Council resolutions, and forged ahead with its nuclear program—all while supporting terrorist groups and suppressing the aspirations of the Iranian people.

Since taking office, I've made it clear that the United States was prepared to begin a new chapter of engagement with the Islamic Republic of Iran. We offered the Iranian government a clear choice. It could fulfill its international obligations and realize greater security, deeper economic and political integration with the world, and a better future for all Iranians. Or it could continue to flout its responsibilities and face even more pressure and isolation.

To date, Iran has chosen the path of defiance. That's why we have steadily built a broader and deeper coalition of nations to pressure the Iranian government. Last month, we joined with our partners at the U.N. Security Council to pass the toughest and most comprehensive multilateral sanctions that the Iranian government has ever faced. And I want to specifically single out our tireless—and I mean tireless—Ambassador to the United Nations, Susan Rice, for her terrific—

As I said last month, we are going to make sure that these sanctions are vigorously enforced. At the same time, we'll work with our allies and friends to refine and enforce our own sanctions on Iran. And that's exactly what we've been doing. Here in the United States—thanks to the efforts of my Treasury Secretary, Tim Geithner, and Under Secretary Stuart Levey—they have been terrific on this effort; Stuart has been just outstanding—we have imposed sanctions against more institutions, more individuals involved with Iran's nuclear and missile programs.

Other nations are now acting alongside us—nations like Australia, which announced new sanctions, including those against a major Iranian bank and Iran's shipping company. The European Union is moving ahead with additional strong measures against Iran's financial, banking, insurance, transportation, and energy sectors, as well as Iran's Revolutionary Guard. Other countries, like Canada, have indicated they will also be taking action. In other words, we are ratcheting up the pressure on the Iranian government for its failure to meet its obligations.

And today, we're taking another step—a step that demonstrates the broad and bipartisan support for holding Iran accountable. I'm pleased to sign into law the toughest sanctions against Iran ever passed by the United States Congress—the Comprehensive Iran Sanctions, Accountability, and Divestment Act.

I want to thank all the members of Congress who worked on behalf of this legislation, including another tireless person, but who never seems to break a sweat—the Speaker of the House, Nancy Pelosi. I want to thank Representatives Steny Hoyer and Eric Cantor for doing outstanding work. Although they weren't able to join us, I want to acknowledge Senators Harry Reid, Jon Kyl and Richard Shelby. And I want to thank those who led the effort to forge a final bill that received overwhelming bipartisan support—Senator Chris Dodd and Representative Howard Berman. Thank you for your good work.

Consistent with the Security Council mandate, this legislation strengthens existing sanctions, authorizes new ones and supports our multilateral diplomatic strategy to address Iran's nuclear program. It makes it harder for the Iranian government to purchase refined petroleum and the goods, services and materials to modernize Iran's oil and natural gas sector. It makes it harder for the Revolutionary Guards and banks that support Iran's nuclear programs and terrorism to engage in international finance. It says to companies seeking procurement contracts with the United States government—if you want to do business with us, you first have to certify that you're not doing prohibited business with Iran.

In short, with these sanctions—along

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with others—we are striking at the heart of the Iranian government's ability to fund and develop its nuclear program. We're showing the Iranian government that its actions have consequences. And if it persists, the pressure will continue to mount, and its isolation will continue to deepen. There should be no doubt—the United States and the international community are determined to prevent Iran from acquiring nuclear weapons.

Finally, even as we increase pressure on the Iranian government, we're sending an unmistakable message that the United States stands with the Iranian people as they seek to exercise their universal rights. This legislation imposes sanctions on individuals who commit serious human rights abuses. And it exempts from our trade embargo technologies that allow the Iranian people to access information and communicate freely. In Iran and around the world, the United States of America will continue to stand with those who seek justice and progress and the human rights and dignity of all people.

So, again, this is not a day that we sought—but it is an outcome that was chosen by the Iranian government when it repeatedly failed to meet its responsibilities. And the government of Iran still has a choice. The door to diplomacy remains open. Iran can prove that its intentions are peaceful. It can meet its obligations under the NPT and achieve the security and prosperity worthy of a great nation.

It can have confidence in the Iranian people and allow their rights to flourish. For Iranians are heirs to a remarkable history. They are renowned for their talents and their contributions to humanity. Here in the United States, Iranian-Americans have thrived. And within Iran, there's great potential for the Iranian people to forge greater prosperity through deeper integration with the international community, including with the United States.

That's the future we do seek—one where Iran's leaders do not hold their own people back by failing to live up to Iran's international obligations, and where Iran can reclaim its place in the community of nations and find greater peace and prosperity.

That is the Iranian government's choice. And it remains our hope that they choose this path, even as we are clear-eyed and vigilant about the difficult challenges ahead.

So, with that, I will sign this legislation into law.

Statement by President Obama, July 1, 2010[2]

President Barack Obama delivered this statement in Washington, DC

President Obama. Today, I have signed into law H.R. 2194, the "Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010". This Act builds upon the recently passed United Nations Security Council Resolution and its strong foundation for new multilateral sanctions. It is designed to pressure Iran by requiring sanctions on those persons investing in Iran's development of petroleum resources and exporting to Iran refined petroleum and items needed to strengthen Iran's refined petroleum production capability. Further, it requires sanctions on financial institutions facilitating certain activities involving Iran, the Islamic Revolutionary Guard Corps, or other sanctioned persons. The Act also puts in place new authorities to demonstrate the strong and sustained commitment of the United States to advancing the universal rights of all Iranians, and to sanction those who have abused their rights.

The Act provides a powerful tool against Iran's development of nuclear weapons and support of terrorism, while at the same time preserving flexibility to time and calibrate sanctions. In particular, it provides new authority for addressing the situation of those countries that are closely cooperating in multilateral efforts to constrain Iran. The Act appropriately provides this special authority to waive the application of petroleum-related sanctions provisions to a person from such a closely cooperating country, out of recognition for the key role such a country plays in ongoing multilateral efforts to constrain Iran. The Act permits the President to exercise this authority flexibly, as warranted, and when vital to the national security interests of the United States.

Statement by Secretary of the Treasury Geithner, July 1, 2010[3]

Secretary Timothy Geithner delivered this statement in Washington, DC

Secretary Geithner. In signing this bill, the President and the Congress have set forth a new and effective means of applying financial pressure against Iran's continued pursuit of a nuclear weapons capability and its support for terrorists. The law provides Treasury with powerful new authorities to impose mandatory sanctions against foreign banks that knowingly provide financial services related to such conduct by Iran, or to the IRGC and its affiliates. These authorities strengthen Treasury's ongoing efforts to protect the international financial system from abuse.

Statement by Secretary of State Clinton, July 15, 2010[4]

Secretary Hillary Clinton delivered this statement in Washington, DC

Secretary Clinton. I condemn in the strongest possible terms today's terrorist attacks claimed by Jundallah that targeted Iranians at a mosque in the Sistan-va Baluchistan province of Iran. The United States extends its sympathy to the families and loved ones of those injured and killed. We also call for the perpetrators of this horrific attack to be held accountable for their actions.

The United States condemns all forms of terrorism and sectarian-driven violence, wherever it occurs, and stands with the victims of these appalling acts. This attack, along with the recent attacks in Uganda, Pakistan, Afghanistan, Iraq, and Algeria, underscores the global community's need to work together to combat terrorist organizations that threaten the lives of innocent civilians all around the world.

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White House Statement, July 16, 2010[5]

President Obama. I strongly condemn the outrageous terrorist attacks on a mosque in southeast Iran. The murder of innocent civilians in their place of worship is an intolerable offense, and those who carried it out must be held accountable. The United States stands with the families and loved ones of those killed and injured, and with the Iranian people, in the face of this injustice. Together, the people of the world must condemn and oppose all forms of terrorism, and support the universal right of human beings to live free from fear and senseless violence.

Joint Statement by Secretary of State Clinton and Secretary of the Treasury Geithner, July 26, 2010[6]

The United States welcomes the strong steps taken by our European and Canadian partners to implement UN Security Council Resolution 1929. Consistent with the Security Council's mandate, these measures impose additional sanctions against Iran's financial, insurance, transportation, trade and energy sectors, as well as the Islamic Revolutionary Guards Corps, significantly increasing Iran's isolation. These steps underscore the steadfast European and Canadian leadership to hold Iran accountable for its failure to meet its international obligations and set a high standard for global implementation of sanctions.

The new measures contain important restrictions on Iran's ability to use its transportation infrastructure and energy proceeds to support its nuclear and missile programs. The strong restrictions and prohibitions on Iran's ability to access the Canadian and European commercial and banking systems will further protect the international financial system from abuse by Iran.

These measures, combined with the new and existing U.S. sanctions, underscore the international community's deepening concerns about Iran's nuclear program and refusal to live up to its international responsibilities. We have already begun to see the impact of these sanctions, as companies around the world refuse to do business with Iran rather than risk becoming involved in Iran's nuclear program and other illicit activities.

Moving forward, the United States will continue to work with the European Union, Canada, and our allies and partners around the world to put additional pressure on Iran and ensure that existing sanctions are vigorously enforced. The message to Iran's leaders is clear: Meet your responsibilities or face increasing isolation and consequences.

We applaud the EU and Canada for these decisive actions, but regret their necessity. The United States remains committed to a diplomatic solution that resolves the international community's concerns regarding Iran's nuclear program. We will continue to work with the European Union, Canada, the P5+1 and all of our partners to pursue our dual track approach of engagement and pressure to achieve this objective and await Iran's official reply to the P5+1's outstanding offer of talks. We once again urge Iran's leaders to pursue a path of cooperation and responsibility rather than confrontation and further isolation.

White House Statement, July 30, 2010[7]

President Obama. Tomorrow marks one year since Sarah Shourd, Shane Bauer, and Josh Fattal were detained by the Islamic Republic of Iran. Sarah, Shane and Josh committed absolutely no crime. When they were arrested and detained, they were hiking in the region along the border of Iran and Iraq. Yet for a full year, they have been held in prison, causing extraordinary grief and uncertainty for them, for their families, and for their loved ones.

I want to be perfectly clear: Sarah, Shane and Josh have never worked for the United States government. They are simply open-minded and adventurous young people who represent the best of America, and of the human spirit. They are teachers, artists, and advocates for social and environmental justice. They have never had any quarrel with the government of Iran, and have great respect for the Iranian people.

I call on the Iranian government to immediately release Sarah, Shane and Josh. Their unjust detention has nothing to do with the issues that continue to divide the United States and the international community from the Iranian government. This is a humanitarian imperative, as these three young people are innocent of any crime. As a signatory to multiple conventions on human rights, the government of Iran should act in line with the principles of justice, and allow Sarah, Shane and Josh to be reunited with their families. This call has been echoed by people in many countries, and is shared by all who respect human freedom and decency.

I want to particularly acknowledge the suffering and advocacy of Sarah, Shane and Josh's families. Earlier this week, I spoke with the mothers of these three young people, who have worked tirelessly for the release of their children. The Iranian government's gesture of allowing these mothers to visit their children was welcome, but I cannot imagine how painful it was for these three courageous women to return home without their children. I told these three mothers that Sarah, Shane and Josh are in my thoughts and prayers, and that the U.S. government would continue to do all that it could to secure their release.

I also spoke earlier this week with the wife of Robert Levinson, who went missing in Iran over three years ago. We continue to have no information about his welfare, and reiterate our call for the government of Iran to provide any information that it has about his whereabouts. It is time to facilitate Robert Levinson's return to the family and friends who have suffered so greatly in his absence. We continue to have him in our thoughts and prayers, and to do all that we can to reunite him with his family.

Each of these cases reminds us of the dignity that is shared by all human beings, and the necessity of justice. All Americans stand together in support of our citizens who are suffering through unjust detention abroad, and we will not rest until they are

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home.

Statement by Secretary of State Clinton, July 30, 2010[8]

Secretary Hillary Clinton delivered this statement in Washington, DC

Secretary Clinton. Tomorrow marks the year-long detention of three U.S. citizens, Shane Bauer, Sarah Shourd, and Joshua Fattal, for allegedly crossing into Iran during a hiking vacation in Iraqi Kurdistan. Their release by Iran is long overdue and their continued detention is unjustifiable.

Iran has long espoused to the world its commitment to justice, security and peace for all. We urge Iran to take action in the case of the three hikers—detained for a year in Evin Prison without charge—to match its stated commitments. We call on Iran to do the right thing and allow these three Americans to return home to their families.

Press Release from the Department of the Treasury, August 3, 2010[9]

The U.S. Department of the Treasury announced today a set of designations targeting the Government of Iran's support for terrorism and terrorist organizations, including Hizballah, Hamas, Palestinian Islamic Jihad (PIJ), the Popular Front for the Liberation of Palestine-General Command (PFLP-GC) and the Taliban. Iran is the primary funder of Hizballah and has long been recognized as the most active state sponsor of terrorism. Today's designations expose Iran's use of its state apparatus—including the Islamic Revolutionary Guard Corps-Qods Force—and state-run social service organizations to support terrorism under the guise of providing reconstruction and economic development assistance or social services.

Pursuant to Executive Order (E.O.) 13224—which is aimed at freezing the assets of terrorists and their supporters, thereby isolating them from the U.S. financial and commercial systems—Treasury today designated:

Four Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) senior officers: Hushang Allahdad, Hossein Musavi, Hasan Mortezavi and Mohammad Reza Zahedi for their roles in the IRGC-QF's support of terrorism

The Iranian Committee for the Reconstruction of Lebanon (ICRL) and its director, Hessam Khoshnevis, for providing financial, material, and technological support to Hizballah;

The Imam Khomeini Relief Committee (IKRC) Lebanon branch for being owned or controlled by Hizballah and for providing financial and material support to Hizballah and its director, Ali Zuraik; and Razi Musavi, a Syria-based Iranian official, for providing financial and material support to Hizballah.

As a result of today's designations, all transactions involving any of the above designees and any U.S. person are prohibited, and any assets the designees may have under U.S. jurisdiction are frozen.

Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) Leadership

Treasury today further targeted the IRGC-QF by designating four of its senior officers: Hushang Allahdad, Hossein Musavi, Hasan Mortezavi and Mohammad Reza Zahedi.

Hushang Allahdad has been a financial officer for the IRGC-QF since at least 2002. In this position, Allahdad personally oversees distribution of funds to Levant-based terrorist groups and provides financial support for designated terrorist entities including Hizballah, Hamas, and PIJ. RGC-QF General Hossein Musavi is Commander of the IRGC-QF Ansar Corps, whose responsibilities include IRGC-QF activities in Afghanistan. As Ansar Corps Commander, Musavi has provided financial and material support to the Taliban.

In his capacity as an IRGC-QF senior officer, Colonel Hasan Mortezavi provides financial and material support to the Taliban.

Mohammad Reza Zahedi, the commander of the IRGC-QF in Lebanon, plays a key role in Iran's support to Hizballah. Zahedi held several senior positions in the IRGC-Qods Force including Commander of the Lebanon Corps and Deputy Commander of the Qods Force. He has also acted as a liaison to Hizballah and Syrian intelligence services and is reportedly charged with guaranteeing weapons shipments to Hizballah.

IRGC and IRGC-QF Support for Terrorist Organizations: The IRGC-QF is the Government of Iran's primary arm for executing its policy of supporting terrorist and insurgent groups. The IRGC-QF provides material, logistical assistance, training and financial support to militants and terrorist operatives throughout the Middle East and South Asia. It was designated by Treasury pursuant to E.O. 13224 in October 2007 for its support of terrorism.

The Government of Iran also uses the Islamic Revolutionary Guard Corps (IRGC) and IRGC-QF to implement its foreign policy goals, including, but not limited to, seemingly legitimate activities that provide cover for intelligence operations and support to terrorist and insurgent groups. These activities include economic investment, reconstruction, and other types of aid to Iraq, Afghanistan, and Lebanon, implemented by companies and institutions that act for or on behalf of, or are owned or controlled by the IRGC and the Iranian government.

In Afghanistan, the IRGC-QF provides select members of the Taliban with weapons, funding, logistics and training. In Iraq, the Government of Iran trains, equips, and funds Iraqi Shia militant groups.

In the Levant, the IRGC-QF continues to support designated terrorist groups such as Hizballah and Hamas. Hizballah is the largest recipient of Iranian financial aid, training, and weaponry; and Iran's senior leadership has cited Hizballah as a model for other militant groups. Iran also provides training, weapons, and money to Hamas, bolstering the group's ability to maintain its armed resistance and opposition to Israeli-Palestinian peace negotiations.

Iranian Committee for the Reconstruction of Lebanon (ICRL)

The ICRL provides financial, material, and technical support to Hizballah. It was established by the Government of Iran after the 2006 Israel-Hizballah conflict and functions as a key channel for Iran's support to Hizballah reconstruction efforts in Lebanon.

In addition to ICRL's stated mission of supporting reconstruction, ICRL has

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financed and facilitated Hizballah's infrastructure and private communications network that enables the terrorist group to communicate securely.

The ICRL has provided funding and engineering expertise to Hizballah's construction arm, Jihad al-Binaa, which was designated by Treasury pursuant to E.O. 13224 in February 2007.

Treasury also today designated ICRL director, Hessam Khoshnevis for providing technical support to Hizballah's reconstruction efforts in Lebanon and to the expansion of the terrorist group's private communications network. Khoshnevis also operates as President Ahmadinejad's personal representative in Lebanon.

Imam Khomeini Relief Committee (IKRC) Lebanon Branch

The IKRC in Lebanon is a Hizballah social service organization that was created by the Government of Iran in the 1980s and is directed and run by Hizballah members or cadre. Iran has provided millions of dollars to the Hizballah-run branch in Lebanon since 2007. The IKRC has helped fund and operate Hizballah youth training camps, which have been used to recruit future Hizballah members and operatives. Hizballah Secretary General Hassan Nasrallah has acknowledged the IKRC branch in Lebanon as one of Hizballah's openly-functioning institutions linked to and funded by Iran.

Also designated today is the director of IKRC in Lebanon, Ali Zuraik, for acting for or on behalf of the IKRC in Lebanon. Zuraik has also publicly acknowledged that the IKRC in Lebanon operates under the umbrella of Hizballah.

Razi Musavi is a Syria-based Iranian official who is a key conduit for Iranian support to Hizballah. He provides crucial support to Hizballah, including financial and material support to the Lebanon-based terrorist group that is closely allied with Iran and often acts at its behest.

Press Release from the Department of the Treasury, August 3, 2010[10]

The U.S. Department of the Treasury today identified 21 entities in Iran's banking, insurance and investment, mining, and engineering industries determined to be owned or controlled by the Government of Iran. By identifying these entities—including banks, investment companies and technology firms—U.S. persons and others are better able to identify Iranian Government entities and protect themselves against the risks posed by such entities. The Iranian Transactions Regulations prohibit transactions between U.S. persons and the Government of Iran.

"As its isolation from the international financial and commercial systems increases, the Government of Iran will continue efforts to evade sanctions, including using government-owned entities around the world that are not easily identifiable as Iranian to facilitate transactions in support of their illicit activities," said Under Secretary for Terrorism and Financial Intelligence Stuart Levey. "Today's identifications will mitigate the risk that such entities pose to legitimate transactions."

A complete list of the entities identified as owned or controlled by the Government of Iran today follows:

BANKS

ONERBANK ZAO: Onerbank ZAO is a Belarus-based bank that is owned or controlled by Bank Refah Kargaran, Bank Saderat Iran, and Export Development Bank of Iran. In 2006, OFAC identified Bank Refah Kargaran and Bank Saderat Iran as financial institutions owned or controlled by the Government of Iran. Furthermore, Bank Saderat Iran was designated on October 25, 2007 pursuant to Executive Order 13224 for its support of terrorism-related activities. On October 22, 2008 Export Development Bank of Iran was designated pursuant to Executive Order 13382.

BANK TORGOVOY KAPITAL ZAO: Bank Torgovy Kapital ZAO is a Belarus-based bank that is owned or controlled by Bank Tejarat, an entity that OFAC has previously identified as being owned or controlled by the Government of Iran.

EXPORT DEVELOPMENT BANK OF IRAN: The Export Development Bank of Iran (EDBI) is an Iran-based bank that is wholly-owned by the Government of Iran and was designated by OFAC on October 22, 2008, pursuant to Executive Order 13382.

SINA BANK: Sina Bank is an Iran-based bank and is an entity that is owned or controlled by the Government of Iran. Although Bank Sina represents itself as a private bank, it is ultimately owned or controlled by the Government of Iran.

INSURANCE & INVESTMENT

IRAN FOREIGN INVESTMENT COMPANY: Iran Foreign Investment Company (IFIC) is an Iran-based entity that is wholly owned by the Government of Iran. The mission of IFIC is to manage and expand Iranian holdings abroad. It is involved in ventures in a number of foreign countries.

IFIC HOLDING AG: IFIC Holding AG is a Dusseldorf, Germany-based entity that is wholly-owned by IFIC. IFIC Holding AG is an investment arm of IFIC, an entity that is owned or controlled by the Government of Iran.

IHAG TRADING GMBH: IHAG Trading GmbH is a Dusseldorf, Germany-based entity that is wholly-owned by IFIC Holding AG. IHAG Trading GmbH is an extended investment arm of IFIC, an entity that is owned or controlled by the Government of Iran.

MINING, INDUSTRY, ENGINEERING, & ASSOCIATED ENTITIES

IRANIAN MINES AND MINING INDUSTRIES DEVELOPMENT AND RENOVATION ORGANIZATION: The Iranian Mines and Mining Industries Development and Renovation Organization (IMIDRO) is an Iran-based entity that is owned or controlled by Iran's Ministry of Industries and Mines. IMIDRO is a major holding company that provides services to and aims to expand Iran's mining and mineral goods sector.

ASCOTEC HOLDING GMBH: Ascotec Holding GmbH is a Dusseldorf, Germany-based entity that is wholly-owned by IMIDRO. Ascotec Holding GmbH owns or controls a number of foreign companies and is part of Iran's foreign trade network. It provides raw materials, spare parts, and machinery to the IMIDRO.

ASCOTEC JAPAN K.K.: Ascotec Japan K.k. is a Tokyo, Japan-based entity that is wholly-owned by Ascotec Holding GmbH. Ascotec Japan K.k. is part of Iran's foreign trade network.

METAL & MINERAL TRADE S.A.R.L.: Metal & Mineral Trade S.a.r.L. is a Luxembourg-based entity that is owned or controlled by Ascotec Holding

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GmbH. Metal & Mineral Trade S.a.r.L. is part of Iran's foreign trade network.
IRASCO S.R.L.: Irasco S.R.L. is a Genoa, Italy-based entity that is owned or controlled by Ascotec Holding GmbH. Irasco S.R.L. is part of Iran's foreign trade network.
MINES AND METALS ENGINEERING GMBH (M.M.E.): Mines and Metal Engineering GmbH (M.M.E.) is a Dusseldorf, Germany-based entity that is wholly-owned by Ascotec Holding GmbH. Mines and Metals Engineering GmbH (M.M.E.) is part of Iran's foreign trade network.
ASCOTEC STEEL TRADING GMBH: Ascotec Steel Trading GmbH is a Dusseldorf, Germany-based entity that is owned or controlled by Ascotec Holding GmbH either directly or indirectly through Mines and Metal Engineering GmbH (M.M.E.). Ascotec Steel Trading GmbH is part of Iran's foreign trade network.
ASCOTEC MINERAL & MACHINERY GMBH: Ascotec Mineral & Machinery GmbH is a Dusseldorf, Germany-based entity that is wholly-owned by Ascotec Holding GmbH. Ascotec Mineral & Machinery GmbH is part of Iran's foreign trade network.
ASCOTEC SCIENCE & TECHNOLOGY GMBH: Ascotec Science & Technology GmbH is a Dusseldorf, Germany-based entity that is wholly-owned by Ascotec Holding GmbH. Ascotec Science & Technology GmbH is part of Iran's foreign trade network.
BREYELLER STAHL TECHNOLOGY GMBH & CO. KG: Breyeller Stahl Technology GmbH & Co. KG is a Nettetal, Germany-based entity that is owned or controlled by Ascotec Holding GmbH. Breyeller Stahl Technology GmbH & Co. KG is part of Iran's foreign trade network.
INDUSTRIAL DEVELOPMENT AND RENOVATION ORGANIZATION OF IRAN: The Industrial Development and Renovation Organization of Iran (IDRO) is an Iran-based state-owned concern that is associated with Iran's Ministry of Industries and Mines. The IDRO was established to develop the Iranian industrial sector.
MACHINE SAZI ARAK CO. LTD.: Machine Sazi Arak Co. Ltd. is an Iran-based entity that is owned or controlled by IDRO, an entity owned or controlled by the Government of Iran that was established to develop the Iranian industrial sector. Machine Sazi Arak Co. Ltd is a manufacturer and importer of industrial machinery and equipment.
WEST SUN TRADE GMBH: West Sun Trade GmbH is a Hamburg, Germany-based entity that is wholly-owned by Machine Sazi Arak Co. Ltd. West Sun Trade GmbH is engaged in the import and export of general merchandise, mainly raw material, especially exports to Iran.
MAHAB GHODSS CONSULTING ENGINEERING COMPANY: Mahab Ghodss Consulting Engineering Company is an Iran-based entity that is owned or controlled by the Government of Iran. In addition to its standard engineering and construction projects, this entity has been involved in the construction of a nuclear power plant in Iran.

Interview of Secretary of State Clinton by David Sanger and Mark Landler of The New York Times, August 6, 2010[11]

Q. Let me start with something that the President said to the columnists. He said, "It's important to put before the Iranians a clear set of steps that we would consider sufficient to show that they are not pursuing nuclear weapons." And then he went on to say something like they need to know what we'll say yes to.

Now this is quite different from the way the Bush Administration did where they simply said, you know, "They know what they have to do." And I'm not entirely sure they did know what they had to do, but maybe they did.

So our first question is: Have you put forward to them in recent times a new list of what they would have to do? And if so, can you sort of talk us through that list?

Secretary Clinton. Well, David, first, I think that we have been clear and consistent about what we expect. From the very first day that the Obama Administration took office, we have implemented a diplomatic strategy that has clarified the choice that is facing Iran and built international support for our efforts. And I think it's important to put what we did with Iran and these sanctions into a broader context, because I personally believe that many different strands of activity contributed to obtaining the sanctions and creating the international support for sending a very strong message to Iran. When we decided to work to strengthen the global nonproliferation regime, through the President's speech in Prague and through the Security Council and through the negotiation of START and the Nuclear Security Summit, as well as our efforts to strengthen the NPT, we were sending a message about what we did expect in a very comprehensive way.

And then we also worked to reinvigorate our traditional alliances as well as resetting our relations with Russia and working in a more cooperative fashion on issues of mutual interest with China. And all of this—in pursuing diplomatic engagement through the P-5+1, through the IAEA, through the UN—more generally—has been meant to give Iran the opportunity to change its strategic calculus in order to pursue a different course.

But when Iran did not seize the opportunity that we offered, we backed up our words on the other track of our engagement strategy with the sanctions. And the sanctions are meant to be one tool among several intended to impact Iranian behavior regarding its nuclear program.

And I was very encouraged by the broad base of support that we were able to obtain with the adoption of Security Council Resolution 1929. But that was part of a broader set of actions when the IAEA Board of Governors issued a resolution last November censoring Iran. That was the first, in several years, and it had a really galvanizing effect, and when the General Assembly passed an Iran human rights measure at the end of last year, when Iran was forced to withdraw its candidacy for the UN Human Rights Council. I mean, we really believed that once we got to the UN Security Council debate on 1929 and then adopted the comprehensive Iran sanctions, we'd laid a very strong foundation, which was then built upon by robust EU sanctions, and then the follow-up action from Canada, Australia, Japan.

And I guess would suggest that these sanctions surprised Iran by the scope and

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reach of what the international community was prepared to do on the pressure front. And we are hearing from many different sources around the world that this is having an impact on Iran's thinking, and they've undertaken dramatic diplomatic and commercial maneuvers to try to prevent the sanctions from being levied on them or being implemented against them, and are falling short—much, I believe, to their surprise—and so their increasing isolation is a very important context for us to look at what Iran knows is expected and what they are doing in order to meet the obligations of the international community.

Q. Okay, but the question was, have you given them sort of a new list now that you've gotten their attention? You know, let's take at face value what you and the President and Stuart Levey and others tell us about how surprised they are, and they certainly are having trouble getting insurance for gasoline shipments and banking issues and so forth. But have you now gone back to them and said, okay, now that we've got your attention, here is the list of things that you could do right away?

Secretary Clinton. Well—

Q. Or—has that been transmitted through the Swiss, through any other way? Have you been direct?

Secretary Clinton. I mean, look, it's been made clear consistently through resolutions, requirements, obligations, that they have to convince the international community that their use of nuclear energy is for peaceful purposes. We are looking forward to the resumption of P-5+1 discussions in late September or early October. We remain committed to engagement on this issue of Iran's nuclear program and resolving our differences diplomatically through multilateral engagement. We're realistic that there's not one single action that will change Iran's ultimate decision making on its nuclear program, but that the costs for their refusal to offer that reassurance about their intentions and their actions to the international community is beginning to bite.

And the bottom line is that it's Iran's leadership that holds the keys as to a successful engagement. And if they begin to show signs that they're willing to comply with the obligations that they already undertook, we're going to be responsive. But we're committed to sharpening their choices and putting them in a position where they feel the consequences of not changing their policies, know that they cannot escape this isolation unless they do alter their behavior and have held open the possibility of engagement through the P-5+1 in order to do so.

Q. Okay. But there has not been a specific new missive, the President, you, someone has not sent a letter saying here's a list of three or four things you could do to get this rolling now?

Secretary Clinton. No, no, but we have certainly sent—

Q. Done it in the past, yeah.

Secretary Clinton. We have certainly sent very clear messages that are being conveyed in the discussions going on between the Iranians and the EU with Cathy Ashton's office. There are many people, when I was in Kabul, who reported conversations to me that they were having with the Iranians. And I was very clear in saying that—to tell them that we remain open to engagement. But they do know what they have to do. They have to reassure the international community by words and actions as to what their nuclear program is intended for.

Q. And that still means permanent suspension of all enrichment? It means ending the 20 percent enrichment, it means allowing the IAEA to interview (inaudible) and his associates. That's all on your list?

Secretary Clinton. Well, there is a preexisting framework that the Security Council has set forth and IAEA has set forth and we support those obligations, which are not just American requests but international ones.

Q. Okay.

Q. Madam Secretary, it's Mark here. I just wondered on the question of the vigor that partners and allies are showing in imposing sanctions, whether you could address the issue of the Chinese. There's been some talk that there's worry that they're, in effect, back-filling on sanctions and that there have been very high-level contacts between the U.S. and China to sort of reaffirm the necessity of following through on implementation. Is that the case?

Secretary Clinton. Well, Mark, obviously, follow-up on implementation is critical with the entire international community. We've done a lot of work the last year and a half to get to this point, and now we intend to follow through. I created a special unit for implementing the sanctions that Bob Einhorn leads. He's working with Stuart Levey and others in the government to make the case. Russia and China have been good partners during the entire P-5+1 effort. And we've been working very closely with them, up until now. We will continue to work closely with them to ensure that our dual-track strategy is working and has the full meaning that we intend it to have.

Q. But are you satisfied that the Chinese are following through on implementation adequately up till now?

Secretary Clinton. Well, I think that Bob Einhorn and Stuart Levey and others are working closely with their Chinese counterparts. And we know that there are issues that will be raised. We raise some. They raise some. Others raise them. But there's not any reason for us not to feel confident that they're going to follow through as they said they would.

Q. Madam Secretary, let me ask you briefly about the Israelis on this. In my conversation earlier this week at the White House a point was made to me that Prime Minister Netanyahu in his most recent visit, didn't really have Iran in his top two or three or five items. Whereas at the previous meetings that he had with all of you when he has come here, it has been the number one, two, and three issue. Do you sense that they are calmer about this? Do you simply sense that they are letting the sanctions play out for a while? Certainly in their military briefings to us, they make it clear that if anything they are accel-

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erating their contingency plans.

Secretary Clinton. Well, David, I don't want to characterize their feelings and certainly not any conversations that I or the President had with them during that trip or any time. But, we have kept the Israelis very closely informed. We consult with them on a regular ongoing basis. We obviously share not only Israel's concern but the concern of all of our friends and partners in the Gulf that unites us in our efforts to prevent Iran from obtaining nuclear weapons and destabilizing the region and intimidating and threatening the countries in the area, including Israel.

Q. I know you can't speak to the specific intelligence, but if you go back to the period of time since you came to office—and I think you and I when I came to visit you one time earlier in your time you were still trying to get an understanding of where the Bush Administration had left you on this—do you feel now, compared to when you first came to office, that the date of potential breakout for the Iranians has been somewhat delayed by their own troubles in getting enrichment going and so forth, and therefore, you have a little more time than say a year ago you believed you would?

Secretary Clinton. Well, David, again, I'm not going to comment on any intelligence—

Q. I'm asking for you assessment on the (inaudible).

Secretary Clinton. Well, that would be based on intelligence assessments so I'm not going there.

Q. But it's also based on your conversations with allies who are—

Secretary Clinton. Well, let me just—let me say that based on my conversations with allies, it's not so much the timing as to when if—when or how the Iranians might pursue the nuclear weapons, it's whether they do so. And so whether it would take six months, a year, or five years, it's that deep concern about Iran acquiring nuclear weapons that is the preoccupation of our friends and partners. And we would be pursuing the path we're pursuing regardless of any issue of timing because we think it's got the best potential for changing Iranian behavior.

Q. One of your colleagues made the observation a few weeks ago that if, in fact, the Iranians don't respond to the sanctions, don't come back in a serious way in the September, October period, that the time may come for you or the President or others to speak—to use that phrase, "All options on the table," more vigorously than you have. And I noticed that the President did use it briefly with the columnists the other day. Is there a sort of a conscious decision underway here to reinforce to the Iranians that you're giving this limited time?

Secretary Clinton. (Inaudible) I think we've always said that we were looking at all kinds of approaches to resolving this very threatening situation. So I don't want to characterize what we're doing now other than to say we've always pursued a two-track approach of pressure and engagement and we continue to do so, and I don't think the President or any of us want to be issuing public red lines at this point. The President's been very clear that Iran should understand that he is leaving all options on the table and that they should take him at his word, but I don't think it benefits our efforts to go much further than that.

Q. Why is a red line a bad thing to say? I mean, one of the critiques many had and I think you shared this when you were in the Senate when we talked about North Korea, was that the Bush Administration had not set red lines there, and of course, the North Koreans walked all over every one of them.

Secretary Clinton. Well, North Korea has a much longer history, as you know, and that is something that I don't want to confuse with what we're trying to do here with Iran. But I think what we've accomplished here is putting before the Iranians a very clear set of steps that they can pursue in order to demonstrate that they are not attempting to obtain nuclear weapons. And they've got that pathway, they know what is expected of them from the international community, and we are proving that we can pursue a diplomatic track and a very strong pressured track through sanctions in a vigorous way. And these things have to take some time to work through the system. Nobody ever thought that there would be an immediate change in the approach just because we had accomplished what we set out to do. This takes time. And I think we're seeing some actions that have sharpened the choice facing the Iranians and strengthened our hand and the hand of the international community in dealing with them.

Q. Her red lines (inaudible). We understand.

Q. Well, can we—Madam Secretary, one quick thing just very quickly

Q. We understand that you had a conversation with President Karzai in recent days on the anticorruption commission. Is—are we on the verge of another difficult period with him or do you think we can get through this issue with the corruption authority and what he's asking for?

Secretary Clinton. Oh, I think we're working it through, Mark. I think that we a lot of communication—not just from the United States but from other countries as well—and I think we are approaching this in a very consultative fashion, and I hope that we'll be able to reassure everyone, including the Afghans, that what we're doing is in the best interest of the country. And we're doing it in a way that respects the law and the constitution of Afghanistan, which is really the main point that President Karzai's been making.

Statement by Secretary of State Clinton, August 10, 2010[12]

Secretary Hillary Clinton delivered this statement in Washington, DC

Secretary Clinton. The United States is deeply concerned that Iran continues to deny its citizens their civil rights and intimidate and detain those Iranians who

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seek to hold their government accountable and stand up for the rights of their fellow citizens.

We remain troubled by the case of Sakineh Mohammadi Ashtiani, who garnered international attention for her verdict of death by stoning. While the Iranian Government later stated she would not face execution by stoning, her fate is unclear. We are also troubled by reports that Ebrahim Hamidi, an 18-year old charged with homosexuality, faces imminent execution despite the fact that he is currently without legal representation. Neither case has proceeded with the transparency or due process enshrined in Iran's own constitution, and their lawyer, Mohammad Mostafaei, felt that he had to flee Iran after he was questioned by authorities and his family members were detained.

We are also concerned about the fate of Iranians who are in danger of imminent execution for exercising their right to free expression after the June 2009 elections, including Jafar Kazemi, Mohammad Haj Aghaei, and Javad Lari. The United States urges the Iranian Government to halt these executions in accordance with its obligations to the International Covenant on Civil and Political Rights and calls for the immediate release of all political prisoners and imprisoned human rights defenders.

The United States will continue to stand with people around the world who seek to exercise their universal rights and speak out in defense of human liberties.

Statement by Secretary of State Clinton, August 12, 2010[13]

Secretary Hillary Clinton delivered this statement in Washington, DC

Secretary Clinton. The United States is deeply concerned with the Iranian government's continued persecution of Baha'is and other religious minority communities in Iran.

This week, seven Baha'i leaders, who were incarcerated and held for nearly two years without due process, were each sentenced to 20 years imprisonment. The United States strongly condemns this sentencing as a violation of Iran's obligations under the International Covenant on Civil and Political Rights.

Freedom of religion is the birthright of people of all faiths and beliefs in all places. The United States is committed to defending religious freedom around the world, and we have not forgotten the Baha'i community in Iran. We will continue to speak out against injustice and call on the Iranian government to respect the fundamental rights of all its citizens in accordance with its international obligations.

Op-ed article by Under Secretary Stuart Levey, August 16, 2010[14]

Iran's new deceptions at sea must be punished

In recent weeks, the UN, the US, the EU and others partners have announced new sanctions to hold Iran accountable for conduct surrounding its nuclear and ballistic missile programmes. These actions have significantly expanded and deepened existing sanctions, and seek to combat Iranian efforts to evade increasingly stringent global restrictions.

Substantial attention has already been paid to sanctions in Iran's banking and energy sectors. But the latest round of measures also sharpens the focus on another sector that is a critical lifeline for Iran's proliferation and evasion: shipping. Some of Iran's most dangerous cargo continues to come and go from Iran's ports, so we must redouble our vigilance over both their domestic shipping lines, and attempts to use third-country shippers and freight forwarders for illicit cargo.

Iran has consistently used its national maritime carrier, the Islamic Republic of Iran Shipping Lines (IRISL), to advance its missile programmes and to carry other military cargoes. Some shipments have been stopped, and were clear violations of Security Council resolutions—including arms shipments believed to have been destined for Syria, for transfer to Hizbollah. Using an authority designed to freeze the assets of proliferators of weapons of mass destruction, the US Treasury's Office of Foreign Assets Control (OFAC) first brought sanctions against IRISL in 2008 for providing services to the arm of the Iranian military that oversees Iran's ballistic missile programme.

Almost immediately companies around the world began to shun IRISL, and the company started to use an array of deceptive practices to conceal its identity and skirt sanctions—including falsifying shipping documents, changing names and nominal ownership of vessels, and even repainting ships. It has also sought to assign vessel ownership to front companies outside Iran. These measures to conceal its activities have alarmed an already wary global business community. As a result, IRISL has struggled to maintain the insurance and other services necessary for operating a global shipping business.

IRISL's conduct has not escaped the international community's notice. In June, the UN named three IRISL companies for sanctions, and called for additional vigilance of Iranian shipping more generally. It also granted new powers to inspect Iranian ships, and ships carrying cargo to or from Iran. Subsequently the US Treasury sanctioned five IRISL front companies and 27 vessels, and also identified 71 renamed IRISL vessels. Last month the EU took similar actions.

Following these steps, last Friday the US Treasury took further measures, designating for sanctions three Malta-based IRISL companies: Marble Shipping Limited and Bushehr Shipping Company, two entities directly owned by IRISL; and ISI Maritime Limited, owned by a previously-designated IRISL subsidiary Iran o Hand.

Iran also uses non-Iranian shippers and freight forwarders to obtain and export dangerous materials. As the vice tightens, we expect this pattern to increase. So, over the past year, OFAC increased enforcement efforts in the shipping and freight forwarding sectors, and also investigated a number of sanctions violations.

During this time, the US Treasury has also agreed significant financial settlements with four US shipping companies, based on alleged violations of sanctions involving third-country trade with sanctioned parties, including Iran: Oxbow Carbon and Minerals LLC; Maersk Line, Ltd, a US subsidiary of A.P. Moller-Maersk A/S; Barwil Agencies NA, Inc; and National Marine Consultants Inc. Other

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cases are being investigated, and follow settlements reached over the past year with major banks, including Lloyds and Credit Suisse.

US companies involved in third-country trade—as well as foreign shippers and freight forwarders doing business with the US—must be aware of their sanctions responsibilities. And all shippers, wherever they do business, should exercise enhanced vigilance, particularly where shipments may involve Iran.

The broader private sector is restricting business with Iran, rather than risk facilitating Iran's illicit activities. But while private business actions are critical for sanctions to work, it is essential that governments throughout the world now ensure that new sanctions are also translated into action.

Press Release from the Department of the Treasury, August 20, 2010[15]

The U.S. Department of the Treasury today announced the conclusion of three weeks of face-to-face global engagement on Iran with governments and the private sectors in Bahrain, Brazil, Ecuador, Japan, Lebanon, South Korea, Turkey and the United Arab Emirates (UAE) led by Under Secretary for Terrorism and Financial Intelligence, Stuart Levey; Assistant Secretary for Terrorist Financing, David Cohen; and Deputy Assistant Secretary for Terrorist Financing and Financial Crimes, Daniel Glaser. Treasury's leading officials on U.S. sanctions crisscrossed the globe this month, meeting with senior government officials to urge U.S. partners and allies to take bold steps to ensure rigorous, comprehensive implementation of UN Security Council Resolution (UNSCR) 1929 to bolster the impact of the Resolution and additional measures imposed by the United States, European Union and others in recent weeks. Treasury also briefed government officials and banking sector leaders on the financial provisions of the Comprehensive Iran Sanctions, Accountability and Divestment Act (CISADA) and the new Iranian Financial Sanctions Regulations (IFSR) issued this month by Treasury.

Focusing on key financial and commercial centers across the globe, Levey, Cohen and Glaser traveled to Asia, Latin America and the Middle East to strengthen sanctions efforts and underscore the importance of strong implementation of UNSCR 1929. They were joined by State Department and White House officials to implement the President's direction to apply targeted financial pressure to deny Iran's access to the international financial system and further sharpen the choice for Iran. In meetings with senior government officials, bank regulators and banking sector leaders, Treasury officials highlighted the impact that the latest round of sanctions have already begun to have on Iran's economy—including the Government of Iran's inability to attract foreign investment, develop its oil and gas fields, acquire financial services and maintain financial relationships with the international community—and making the case for concerted action to persuade the Government of Iran to change its behavior.

"As international pressure mounts and its economic isolation increases, Iran will attempt to seek out new channels to access the international financial system for illicit purposes," said Levey. "It is incumbent upon governments to put into place the appropriate mechanisms to protect against this threat. The U.S. will continue its outreach to governments and the private sector around the world to prevent Iran from exploiting new banks and unwitting partners in furthering its nuclear and missile programs."

During their travels, Treasury officials briefed regulators and members of the banking sector on the financial provisions of CISADA and outlined the potential for foreign financial institutions continuing to do business with individuals or entities designated by the United States to lose access the U.S. financial system. At roundtable discussions with banking associations, Treasury continued its dialogue with the private sector on the need for enhanced vigilance with respect to Iran's continued efforts to engage in a range of deceptive measures to conduct illicit transactions and evade sanctions. U.S. officials also highlighted the need for intense scrutiny from both regulators and financial institutions of all transactions involving Iran to combat attempts by Iran to establish new and expand existing financial relationships as sanctions tighten.

Press Release from the Department of the Treasury, September 7, 2010[16]

The U.S. Department of the Treasury today designated Europäisch–Iranische Handelsbank (EIH), one of the few remaining European banks actively facilitating business with Iranian banks and handling billions of dollars worth of transactions on their behalf. Today's action was taken pursuant to Executive Order (E.O.) 13382, which blocks the property of designated weapons of mass destruction (WMD) proliferators and their supporters, thereby isolating them from the U.S. financial system.

Headquartered in Hamburg, Germany, EIH provides financial services to Bank Mellat, Persia International Bank, the Export Development Bank of Iran and Post Bank of Iran, all previously designated by Treasury pursuant to E.O. 13382 and by the European Union.

"EIH has acted as a key financial lifeline for Iran. As one of Iran's few remaining access points to the European financial system, EIH has facilitated a tremendous volume of transactions for Iranian banks previously designated for proliferation," said Under Secretary for Terrorism and Financial Intelligence Stuart Levey. "As international sanctions tighten, Iran will find it increasingly difficult to find banks like EIH that will cooperate with it. Treasury will continue to target any bank, wherever located, that supports Iran's nuclear or missile programs."

EIH has facilitated Iran's proliferation activities on a series of occasions. Examples include: In 2009, EIH and Bank Mellat facilitated nearly $350,000 of business between a weapons exporter and a subsidiary of WMD proliferator Iran Electronics Industries (IEI). In 2007, EIH and Bank Mellat facilitated a transaction of more than $250,000 directly between IEI and the same arms exporter. In a six-month period beginning in late 2007, EIH and the Export Development Bank of Iran

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enabled Iran's missile programs to purchase more than $3 million of material. Also in 2007, almost $1 million in business involving an Iranian WMD proliferator was facilitated by EIH and Bank Mellat.

EIH also engages in the type of deceptive practices that have become the hallmark of Iranian government-controlled financial institutions. In addition to providing financial services to Iranian WMD proliferators described above, EIH actively obscures Iranian involvement in the process.

Not only has EIH provided financial services to Bank Mellat, the two banks also share leadership. Ali Divandari has served as EIH Deputy Chairman of the Board and Bank Mellat's Chairman and Managing Director and was designated by Treasury under E.O. 13382 in November 2009 and by the EU in July 2010.

Bank Mellat was designated as a supporter of the Atomic Energy Organization of Iran (AEOI) and Novin Energy Company in October 2007. Persia International Bank, a Bank Mellat subsidiary, was also designated in October 2007 for being owned or controlled by Bank Mellat. The AEOI, which reports directly to the Iranian president, is the main Iranian organization for research and development of nuclear technology and manages fissile material production programs. Novin Energy, AEOI's financial conduit, has transferred millions of dollars on behalf of AEOI to entities associated with Iran's nuclear program. Both AEOI and Novin Energy are designated by Treasury under E.O 13382 and by the United Nations Security Council in Resolution 1747.

The Export Development Bank of Iran was designated by Treasury in October 2008 pursuant to E.O. 13382 for providing or attempting to provide financial services to the Iranian Ministry of Defense and Armed Forces Logistics (MODAFL), which was previously designated by the Department of State pursuant to E.O. 13382 in October 2007.

Treasury designated the Post Bank of Iran pursuant to E.O. 13382 in June 2010 for providing financial services to, and acting on behalf of, Bank Sepah since its designation by Treasury in January 2007 for its support and services to Iran's missile industries and subsequent designation by the United Nations Security Council in March 2007.

EIH is the first financial institution designated by Treasury for facilitating Iran's proliferation activities since the Department issued the Iranian Financial Sanctions Regulations on August 16, 2010 to implement the Comprehensive Iran Sanctions Accountability and Divestment Act of 2010. Under these regulations, Treasury may prohibit, or impose strict conditions on, foreign financial institutions' access to the U.S. financial system for facilitating significant transactions or providing significant financial services for a financial institution designated by the U.S.—such as EIH—in connection with Iran's WMD proliferation or support for international terrorism. EIH is the 17th financial institution designated by the United State for such activities.

The United States has closely consulted with the German government in taking today's action against EIH and is aware that the German government is also taking steps under its national authorities.

Statement by President by Obama, September 14, 2010[17]

President Obama. I am very pleased that Sarah Shourd has been released by the Iranian government, and will soon be united with her family. All Americans join with her courageous mother and family in celebrating her long-awaited return home. We are grateful to the Swiss, the Sultanate of Oman, and other friends and allies around the world who have worked tirelessly and admirably over the past several months to bring about this joyous reunion.

While Sarah has been released, Shane Bauer and Josh Fattal remain prisoners in Iran who have committed no crime. We remain hopeful that Iran will demonstrate renewed compassion by ensuring the return of Shane, Josh and all the other missing or detained Americans in Iran. We salute the courage and strength of the Shourd, Bauer, and Fattal families, who have endured the unimaginable absence of their loved ones. We have gained strength from their resolve, and will continue do everything we can to secure the release of their loved ones.

Statement by Secretary of State Clinton, September 14, 2010[18]

Secretary Hillary Clinton delivered this statement in Washington, DC

Secretary Clinton. I welcome Sarah Shourd's release from detention in Iran, and am pleased that she will soon be reunited with her family. I appreciate the efforts of all those who have worked for her release, in particular the Swiss Protecting Power in Tehran, the Omani Government, and the many other world leaders who have raised this case and the cases of other detained or missing American citizens. Sarah's fiance Shane Bauer, Joshua Fattal, and other U.S. citizens remain detained or missing in Iran. We urge Iranian authorities to extend the same consideration to them by resolving their cases without delay and allowing them to immediately return to their families.

Excerpts of Remarks by Secretary of State Clinton, September 16, 2010[19]

Secretary Hillary Clinton gave this interview to ABC's Christian Amanpour in Jerusalem, Israel

Q. The UN General Assembly is coming up. The president of Iran again will be in New York. He's already starting his campaign of reaching out to the press and putting his point across. Can I first ask you, what is your reaction to the release of Sarah Shourd?

Secretary Clinton. Great relief. I was so, so pleased that this young woman was able to come home. I want the other two young Americans, Josh and Shane, to come home as well. But as a mother—I've met with their mothers—and I just can't even imagine how painful the experience that they themselves have had inside prison, but then, of course, the pain

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that their families feel. So thankfully, she'll be given a chance to be reunited with them.

Q. Do you believe that half a million dollar bail was paid?

Secretary Clinton. That was privately arranged.

Q. Do you know anything about whether it was paid?

Secretary Clinton. I know nothing about it. I just know that whatever the arrangements were, they were privately arranged.

Q. And what do you—are you in any contact with the Iranian Government by your interlocutors about the other two who are still there?

Secretary Clinton. Absolutely. I mean, we and I personally have reached out to countless leaders around the world to take the case for a humanitarian release to the Iranian authorities. And we are grateful for the very helpful actions of the Swiss and the Omanis in communicating directly with the Iranians.

Q. Do you think—will there be any further talks at any time soon on the nuclear issue? Is there any date, any agreement from the Iranians to meet at a P-5+1?

Secretary Clinton. Well, we thought that they were open to that. There was some communication with Cathy Ashton, the high representative of the European Union for foreign policy. She is the appropriate interlocutor for the so-called P-5+1 and we certainly had indicated our readiness to meet. Now, at the United Nations next week, I will be meeting with my counterparts of the P-5+1 to discuss where matters stand. But as we're speaking right now, I know of no meetings that the Iranians have agreed to attend.

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Q. On the one hand, you say that you're grateful that Iran released Sarah Shourd as a humanitarian gesture. You need to do diplomacy through the P-5+1 on the nuclear issue. On the other hand, in your speech and in your comments at the Council on Foreign Relations, you said that it's a country morphing into a military dictatorship. Explain that.

Secretary Clinton. Well, Christiane, I'm concerned about what I see going on. And I am, of course, grateful and appreciative that Sarah was released, and want to see not only her two compatriots, but other Americans who are held without cause released as well. And we are concerned about the nuclear program.

But what we also see happening is increasing power exercised by the military, by the Revolutionary Guard, and by other militia and military entities. And I know that that's a concern of people inside Iran as we read reports coming out of Iran. And it is something that would be even more distressing for the Iranian people. I have grave disagreements with the Iranian Revolution, but the early advocates of it said this would be a republic—it would be an Islamic republic, but it would be a republic.

Then we saw a very flawed election and we've seen the elected officials turn to the military to enforce their power. And a lot of Iranians, even those who stayed, even those who were originally sympathetic, are starting to say this is not what we signed up for. And I can only hope that there will be some effort inside Iran by responsible civil and religious leaders to take hold of the apparatus of the state.

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Q. Why is it the United States today does not have a framework or any sustained intention of pressing Iran on human rights while still trying to figure out the nuclear situation? We keep hearing that officials don't want to upset the diplomatic applecart.

Secretary Clinton. No, I don't think that's it at all. I mean, we have spoken out on human rights. We have done the best we could to support those inside through trying to open up access to telecommunications. So we are very much in favor of and speaking out on behalf of individual cases, and more generally, the human/political/civil rights of Iranians.

And remember, when President Obama came into office, he extended his hand, I mean, very clearly and quite unprecedentedly, to the Iranian leadership and said we would be willing to have a diplomatic engagement with you because—remember, the Helsinki Accords were negotiated. The United States didn't impose them from the outside. There was a negotiation between the Soviet Union and the United States that led to the Helsinki Accords. There were regular meetings during the Cold War summits at the highest and mid and lower levels. There's nothing like that going on with the Iranians despite President Obama's openness to try to begin to pull the Iranians into the international order.

Q. And yet they are signed up to the International Declaration of Human Rights and—

Secretary Clinton. Oh, they're signed up to the Arab Peace Initiative to recognize Israel if there's a peace agreement. They're signed up to a lot of things. They're signed up to the Convention on the Treatment of Prisoners. Unfortunately, we don't see much loyalty to fulfilling those.

Q. And why does the United States not use, for instance, the UN Human Rights Council to push through—

Secretary Clinton. Oh, we did. We have. First of all, until—

Q. But there's no formal pushing through of a human rights resolution on that.

Secretary Clinton. Well, but before the Obama Administration, as you know, we—our country disengaged from all these forums. And we decided to join the Human Rights Council and, in fact, we had a confrontation with Iran about human rights in the Human Rights Council this past year. And so we are pushing the envelope. Now I think the sanctions that have been endorsed and now are being implemented by the international community demonstrates our engagement, because we've said to the Iranians all along we have two tracks. We have the pressure track and we have the engage-

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ment/diplomatic track. And we still remain open to that diplomacy. But it's been very clear that the Iranians don't want to engage with us.

And the final point I would make is we are trying to be effective as we help those inside Iran. We get—and I meet with Iranian experts, and we get different advice. We get some who say full speed ahead, don't worry about it, just say whatever you have to say. Others say don't do that, this is a very delicate balance. So we try to walk that line.

Q. Does it concern you that so many Iranians after the elections—so many of the protestors really weren't sure whether the Obama Administration was on their side and to this day remain unsure—Iranians inside Iran?

Secretary Clinton. Well, I don't know how that could be, because we made it very clear that we supported the legitimate efforts of the Iranian people to protest and demonstrate against a flawed election. We made it very clear to the Iranians that we thought that they had not only conducted an illegitimate election, but counter to their own stated and professed laws and constitution. So we made it very clear.

But we also knew that the worst thing for those protesting was for them to be seen as stooges of the United States. So again, what we're trying to do is to stand up for the human rights of every person, most particularly those brave Iranians—lawyers and activists and others—who are standing up and saying to the regime no, you have to fulfill the promises you yourselves have made about what we should expect without undermining their efforts. Now, it's very delicate, and some days we get it right and some days maybe we could do better. But our bottom line is we think the Iranian people deserve so much more than what they are now being given, and we are worried about the direction we see Iran headed.

Q. The sanctions. I know the Administration feels that the sanctions are really working. President Ahmadinejad has said the sanctions are, quote, "pathetic, worse than a used handkerchief." Do you think they have any possibility of actually affecting their nuclear behavior?

Secretary Clinton. Well, first, I think they have and will continue to affect their behavior. In fact, former President Rafsanjani said just the other day these are serious, they need to be taken seriously. He was, in effect, criticizing his government because of comments like that, that yes, they're biting, and we hear that from many in the region and beyond. And in fact, the information we're getting is that the Iranian regime is quite worried about the impact on their banking system, on their economic growth, because they've already encountered some tough economic times and this is making it more costly.

Sanctions are a tool. They're not an end in themselves. And we would very much like to see Iran return to the P-5+1 forum where they were last present a year ago October to talk about their nuclear program. We would like to see them once again permit full IAEA inspections. We would like to see them taking the offer that has been made by us and others to talk about a broad range of issues, like their support for terrorism, Hamas, Hezbollah, et cetera.

So we stand ready to engage with Iran, and that's really the message that I would like to send to the Iranians, is that there's a way out of the sanctions, there's a way out of increasing opprobrium from the international community, and there should be a way out of this takeover of their political system and a threat to their dual system of elected and clerical leadership, because when you empower a military as much as they have to rely on them to put down legitimate protests and demonstrations, you create a momentum and unleash forces that you do not know where they will end up. And so we think that now is the time for the Iranian leadership to engage seriously.

Remarks by Under Secretary Levey, September 20, 2010[20]

Under Secretary Stuart Levey delivered these remarks at the Center for Strategic and International Studies in Washington, DC

Introductory Remarks Omitted

This audience is already well-versed in the history of U.S.-Iran relations and the challenges we continue to face as we try to prevent Iran from developing nuclear weapons and supporting terrorism. As we all know, Iran has failed to respond meaningfully to offers of engagement by the United States and others in the international community and has continued to defy multiple United Nations Security Council Resolutions (UNSCRs).

While the offer of engagement still stands, the United States and the international community have been forced to impose additional consequences on Iran. The objective of that pressure is to sharpen the choice for Iran's leaders between integration with the international community, predicated on fulfilling their international obligations, and the hardship of further isolation. The increased sanctions are also intended to make it harder for Iran to pursue international procurement for its nuclear and military programs.

When this Administration embarked on the policy of engagement, we recognized that Iran might well pursue the course that it has indeed chosen so far. As it became clear that Iran had chosen a path of defiance, we formulated our plan to pressure Iran. This involved developing a set of measures designed to create a dynamic that would isolate Iran—and especially its leadership and the institutions it controls—from the international financial and commercial systems.

As Secretary Clinton said earlier this month, "sanctions and pressure are not ends in themselves. They are the building blocks of leverage for a negotiated solution ..." By dramatically isolating Iran financially and commercially and by capitalizing on Iran's existing vulnerabilities, we can impact Iran's calculations. In this way, the strategy we have developed and are now implementing can and will create crucial leverage for our diplomacy.

There are three principal reasons why

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this is working. First, because the strategy we designed targets Iran's illicit conduct and the entities responsible for it, we have been able to attract the committed participation of the private sector around the world and build a broader coalition of governments than would otherwise have been possible. This conduct-based strategy also capitalizes on the deception and dishonesty Iran deploys to evade sanctions. This behavior increases the world's discomfort with Iran as a business partner, and thereby increases the pressure on Iran.

Second, this coalition now has the tools it needs to impose pressure on Iran—especially UNSCR 1929 and the new Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA). And the Administration worked diligently with our allies and partners during the negotiation of UNSCR 1929 to ensure that strong actions were taken to implement the Resolution.

Third, this all comes at a time when Iran is especially vulnerable because of its government's economic mismanagement and narrowed political flexibility.
It is not just my prediction that this strategy can have significant impact; it has already begun to do so. The financial measures the U.S. and others are implementing are imposing serious costs and constraints on Iran. We believe Iran's leadership was caught off guard by the speed, intensity, and scope of the new measures, misjudging the strength of the international community's will. The contrast between Iran's situation in 2005 and today is stark. Prior to Treasury's first action against an Iranian state-owned bank in 2006, Iran had access to financial services from the world's largest and most prestigious financial institutions, allowing it to conduct business in all corners of the globe. Today, Iran is effectively unable to access financial services from reputable banks and is increasingly unable to conduct major transactions in dollars or Euros.

This trend is no longer limited to the financial sector. Almost daily we receive reports of major firms around the world deciding to pull out of business dealings with Iran. Over the last several months alone, dozens of companies have announced publicly that they have curtailed or eliminated their business ties to Iran, including companies such as Toyota, Kia, Lukoil, Allianz, Lloyds, Royal Dutch Shell and many others. Iran is increasingly unable to secure needed foreign investment, financing and technology to modernize its aging energy infrastructure, threatening its oil and gas production and export capacity. Because of new sanctions legislation from Congress, Iran is having great difficulty importing refined petroleum. And Iran's shipping industry, a major conduit for its international trade, has found that international insurance companies are refusing to cover its ships and shipments.

Even at this early stage, as pressure is mounting, the strategy is beginning to give us the leverage we seek. It is already working.

Iran is now struggling to mitigate the effects of sanctions. Iran's leaders are turning increasingly to the Islamic Revolutionary Guard Corps (IRGC)—Iran's military vanguard that has long been involved in Iran's terrorism and missile programs– to prop up the economy. This is likely to exacerbate Iran's isolation, as companies around the world have begun to shun all business with the IRGC.

Perhaps most important of all, we are already receiving reports that the regime is quite worried about the impact of these measures, especially on their banking system and on the prospects for economic growth. And, as pressure increases, so has internal criticism of Ahmedinejad and others for failing to prepare adequately for international sanctions and for underestimating their effect.

Even at this early stage, as pressure is mounting, the strategy is beginning to give us the leverage we seek. It is already working.

As we planned our strategy to pressure Iran, we decided to use conduct-based financial measures that target illicit actors because this has proven to be a better way to build a broad government and private sector coalition than trade embargoes that target an entire country. When we target specific bad actors—those that support terrorism or facilitate weapons of mass destruction (WMD) proliferation, for example—other governments are more inclined to take complementary action. It is difficult for any government, whether a close ally or not, to oppose such actions, especially since the reputation of their financial sectors often depends on such cooperation against illicit activity.

Even more significant, the private sector has great incentive to participate. They often act beyond the strict legal requirements in order to avoid the target's illicit conduct. Even though designations by Treasury's Office of Foreign Assets Control legally apply only to assets and transactions under U.S. jurisdiction, we have found that many banks and businesses around the world often cut off dealings with designated targets, giving our "unilateral" action a "multilateral" effect. This effect is self-perpetuating. As more banks cut off risky individuals and entities, the reputational risk increases for those that have not. Many follow suit, creating a ripple effect that amplifies the effect of sanctions. Once the private sector cuts of these bad actors, other governments find it easier to take formal action against the same targets. The result is a mutually-reinforcing cycle of governmental and private sector action that isolates the bad actors from the legitimate financial system. This puts tremendous pressure on our targets and, at the same time, promotes the integrity of the international financial system.

Banks are at the heart of our sanctions strategy for two reasons. First, they are the lifeline of international commerce—without access to financial services it becomes difficult to conduct commercial transactions, especially on a scale that a country like Iran needs. Therefore, by getting banks to cut off an illicit actor, that individual's or entity's access to the rest of the commercial sector is also affected.

Second, financial institutions have regulatory obligations and a cultural commitment to maintaining the integrity of the international financial system, with established concepts such as due diligence, knowing their customers, and understanding the nature of their transactions. While not all banks have unblemished records in this regard, they all ascribe to that credo. And since Treasury has responsibility for overseeing the integrity of the financial system, we have been able to develop a dialogue with financial institutions all over the world about the particular threats they face. Banks are eager to receive the

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type of information about illicit conduct that Treasury is able to provide and to engage with us about mitigating that risk. We are therefore able to make the private sector portion of the strategy work.

Prior experience with Iran taught us to expect that Iran would engage in deception and dishonesty to get around whatever sanctions were imposed. We therefore sought to create a sanctions program that becomes more effective the more the target tries to evade it.

It has been a common practice, for example, for Iranian banks and companies to conceal their involvement in transactions by removing or stripping their names from transaction documents. Non-sanctioned Iranian banks have also stepped in to further disguise the role of sanctioned banks. This was the case with Post Bank, for instance. Post Bank conducted transactions for Bank Sepah, which previously had been designated by both the U.S. and the UN. Bank Sepah would set up transactions and Post Bank would substitute itself for Bank Sepah to carry them out so that banks would not know that Bank Sepah was actually behind the transactions. As a result, the United States designated Post Bank for helping Bank Sepah evade sanctions.

Iran's deception is not limited to its banks. In the shipping industry, for example, Iran's national maritime carrier, Islamic Republic of Iran Shipping Lines (IRISL), which we designated in 2008, has employed front companies, renamed and repainted ships, and changed the nominal ownership of vessels—all to hide their connection to IRISL. This catalogue of deception by IRISL has now been exposed. To date we have designated 28 IRISL front companies and affiliates and identified more than 100 ships as being the property of IRISL and its fronts.

The more we have exposed Iran's evasion and deceptive practices, and taken enforcement action against those that have cooperated with Iran in those practices (including several major European banks that cooperated in stripping transactions), the more the private sector has become wary of conducting business with any Iranian entity or those acting on Iran's behalf. Because many in the private sector are simply unable to distinguish between Iran's legitimate and illicit transactions, they have opted to cut off Iran entirely. In this way, Iran's own evasion and deceptive conduct is further increasing its isolation.

A major factor working in our favor is that more countries around the world are willing to take strong actions, and there are now better tools for those countries to use. The most important development, of course, is UNSCR 1929, which was enacted in June, following intensive diplomacy by the United States and our P5+1 partners. This Resolution sent a symbolic and powerful message of global unity to Iran and helps us rally states to respond decisively to the Iranian nuclear threat.

Prior experience with Iran taught us to expect that Iran would engage in deception and dishonesty to get around whatever sanctions were imposed.

Building on three previous sanctions resolutions, UNSCR 1929 contains a range of strong provisions, including: a ban on certain ballistic missile activity; a ban on Iran's investment in nuclear industries abroad; a ban on the export to Iran of certain heavy weapons; mechanisms for inspecting Iranian cargo and seizing contraband; and a requirement to exercise vigilance when conducting business with any Iranian entity including the IRGC and IRISL. The Resolution's financial provisions call upon member states to prevent *all* financial services (including banking, insurance and reinsurance) if there are reasonable grounds to believe that such services *could* contribute to Iran's nuclear or missile programs. Significantly, the language of these provisions provides a legal basis for member states to take strong steps. And given the strong public record regarding Iran's illicit and deceptive activities, the operating presumption should be that virtually all transactions or financial services involving Iran could contribute to its nuclear or missile programs. We pushed hard for these provisions because they feed directly into the broader strategy I described.

We also worked extensively with our allies before and after the negotiation of UNSCR 1929 to set up follow-on actions robustly implementing the Resolution. And what we have seen so far is exactly that. The sanctions imposed by the European Union (EU), for example, include considerable restrictions on Iran's energy, financial, insurance, trade, and transportation sectors.

The financial measures adopted by the EU are particularly forceful. Transactions of more than 40,000 Euros generally cannot occur without prior governmental authorization. The opening of new outlets of Iranian banks within the EU is prohibited. The EU even prohibited the establishment of any new correspondent accounts by Iranian banks. The EU has also banned the provision of insurance or re-insurance to the Government of Iran or any Iranian entity.

The EU also froze the assets of more than 100 entities and individuals including, most importantly, most major state-owned Iranian banks as well as the IRGC and IRISL. Australia, Canada, Norway, Japan, and South Korea have taken a similarly robust approach. The leadership of these countries is crucial, as others that now follow will look to the precedent they have established. And their actions have demonstrated a strong and growing international consensus to hold Iran accountable for its actions.

The United States has taken several of our own actions this summer, adding substantially to an Iran sanctions program that was already the most rigorous in the world. Since the adoption of UNSCR 1929, we have targeted more than 50 additional entities, ships and individuals supporting Iran's proliferation and terrorism activities including Iranian state-owned banks, IRISL ships and companies, and IRGC officers. We have also formally identified dozens of banks, investment companies, and technology firms owned or controlled by the Government of Iran, including several with names that obscure that affiliation, thus aiding companies around the world seeking to avoid transactions with the Iranian government.

Congress took a key step to augment the force of existing measures by passing CISADA, which President Obama signed on July 1. CISADA forces a stark choice: if you conduct certain business with Iran, you can't do business with the United States. CISADA contains significant restrictions on government contracting and sanctions for companies that assist Iranian acquisition of refined petroleum products or that invest in Iran's energy

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sector.

CISADA also requires Treasury to prohibit or impose strict conditions on access to the U.S. financial system by any foreign financial institution that facilitates a significant transaction or provides significant financial services for: the IRGC or any of its affiliates; or any bank sanctioned by the U.S. because of its involvement in Iran's WMD proliferation activities or its support for international terrorism. As of this month, there are now 17 such banks as we recently designated for proliferation an Iranian-owned bank in Germany, Europäisch–Iranische Handelsbank, which was one of Iran's few remaining access points to the European financial system. This provision of CISADA is already proving to be very powerful. The possibility of being shut out of the U.S. financial system has compelled financial institutions that had not already cut off business with these 17 banks of their own accord to re-think their decisions. Shortly after CISADA became law, I received an urgent message from a bank executive I had spoken with on several occasions about his bank's significant business dealings with Iran. He told me that he wanted to make sure I knew that the bank's board had just met and, in light of CISADA and other sanctions on Iran, had resolved to cease all further business with Iranian institutions immediately. His bank is not alone.

The new tools and the increased leverage made possible by our broad coalition come at a time when Iran is vulnerable to pressure.

In the economic sphere, Iran is having difficulty attracting the foreign investment—particularly Western investment—needed to develop the keystone of its economy: the oil and gas industry. Despite the fact that Iran sits atop one of the world's largest oil and gas reserves, its oil production has stagnated of late and, as the IMF has noted, Iran's medium-term production capacity depends on its ability to attract investment. Iran's oil minister stated publicly, in late 2009, that Iran was not attracting the investment it needed to prevent a decline in production. Even before the recent round of sanctions, Iran's investment environment was grim and now, because of the new measures, and the unwillingness of financial institutions, insurance companies and major energy companies to undertake projects in Iran, the investment landscape for Iran today is even more bleak.

As a result, Iran's energy sector is losing access to much-needed technology and will only face continued stagnation—which could have long-term political as well as economic consequences as Iran struggles to create jobs for its disproportionately young population. Unemployment is currently over 14 percent, even according to unreliable official estimates; Iran's parliament has claimed that it is as high as 22 percent. High unemployment poses a particular political challenge for Iran's leadership since people under age 30 account for three out of four unemployed Iranians.

The Iranian leadership's inability to develop its most important industry or create sufficient jobs is an example of the economic mismanagement that is undermining public confidence. As is well known, Iran also continues to suffer from high inflation. Reliable numbers are hard to come by, but we believe that the current rate is much higher than the official Iranian government claim of about 9 percent.

In addition, the Iranian banking system is unhealthy, even aside from the devastating effect of sanctions. Just a couple of years ago, the leadership forced Iranian banks to make loans at interest rates significantly lower than the inflation rate, prompting the resignation of two central bank governors. State-owned banks have also made excessive credit available to politically-connected elites who have often failed to repay such loans with impunity. As a result of such poor lending decisions, the Iranian banking sector has a very high rate of nonperforming loans– approximately 20 percent of the banking sector's total assets. In an apparent effort to address the problem, recent Iranian media reports suggest that Iranian banks are increasingly willing to lend only at high rates, making credit difficult to obtain for average business owners at a time when external credit is tight. In addition to undermining confidence in Iran's banks, such practices also feed into the perception that Iran's banking system is rife with official corruption and cronyism.

Because of the leadership's economic mismanagement, Iran is poorly positioned to respond to sanctions. And, as the leadership tries to formulate a response, it is faced with unappealing choices. For example, because it is encountering difficulties in acquiring gasoline because of sanctions, the government is seeking ways to reduce demand for gasoline. One obvious step would be to reduce the heavy subsidies on gasoline that now make the price at the pump about 42 cents per gallon. Iran recently announced that it would reduce subsidies on gasoline and other items by $20 billion. These subsidy cuts were delayed last week once again, most likely because of concern about popular backlash. Iran's main audit body warned that such subsidy cuts might result in severe political disputes. When Iran raised gasoline prices and instituted monthly gasoline rations in 2007, riots broke out across the country. Thus, because of concern about angering the populace, Iran's leadership is unable to take steps to mitigate the effects of sanctions, making our measures even more effective.

Because of all of the pressures it faces, the Iranian government is increasingly turning to the IRGC to maintain its hold on political power and for key economic projects. This trend meshes perfectly with our conduct-based strategy, since it is hard to imagine a better sanctions target than the IRGC. We have sanctioned the IRGC since 2007 because it actively supports terrorism and has long been involved in Iran's proliferation activities. Of course, it also led the crackdown on legitimate protesters after the June 2009 elections.

Unable to attract foreign sources of investment, Iran has turned over to the IRGC major projects, often through sole-source contracts. These include major metro contracts, international airports, and other infrastructure projects. Indeed, the IRGC has extended its reach deep into Iran's economic life, taking increasing control over significant portions of the Iranian economy. Iran has even turned to the IRGC to develop oil and gas fields. For example, because Iran could not attract a suitable foreign energy firm to develop phases of the South Pars gas field, Iran gave the opportunity to Khatam al-Anbiya, an IRGC-affiliate. Khatam al-Anbiya lacked the capability to develop the project itself and thus sought suitable foreign partners. However, after it was designated by the U.S., then the EU, and finally by the UN, Khatam al-Anbiya was

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forced to withdraw from the project.

Using the IRGC to fill the investment gap, thus, will only make matters worse for Iran. As we have seen time and again—including in the Khatam al-Anbiya example—responsible international businesses are unwilling to deal with any entity affiliated with the IRGC. The UN Security Council has now designated most of the major companies controlled by the IRGC and many of its senior officers for proliferation. The EU, and of course the United States, have also designated the IRGC in its entirety. In addition, the IRGC's growing control over large segments of the Iranian economy deprives Iranian businesses not connected to the regime of economic opportunities. Iran's reliance on the IRGC will thus accentuate the impact of sanctions and exacerbate the already-existing tensions between the government and the people of Iran.

For all of those reasons: because of the way we designed our strategy, because we have a broad coalition with powerful tools to use, and because Iran is vulnerable, the strategy we have in place today is working to create the leverage we need to enhance our diplomatic options. But, in the end, you don't have to take my word for it. Last week, former Iranian President Rafsanjani publicly warned leaders in Iran "to take the sanctions seriously and not as a joke." He said that, "we have never had such intensified sanctions and they are getting more intensified every day. Whenever we find a loophole, they [the Western powers] block it." The goal of sanctions is not to harm the people of Iran. It is to influence the calculations of Iran's leaders. And until Iran agrees to abide by its international obligations, what Rafsanjani is observing will only continue and the pressure on Iran will increase.

Statement by Secretary of State Clinton, September 22, 2010[21]

Secretary Hillary Clinton delivered this statement in Washington, DC

Secretary Clinton. I condemn the bombing targeting Iranians attending a parade in Mahabad today and offer my sympathy to the families and loved ones of those injured and killed. The perpetrators of this attack should be brought to justice and held accountable.

The United States condemns terrorism and all forms of violence against innocent people, wherever it occurs, and stands with the victims of these crimes. This attack underscores the international community's need to work together to combat terrorism that threatens the lives of innocent civilians all around the world.

Excerpts of Remarks by President Obama, September 24, 2010[22]

President Barack Obama was interviewed by BBC Persian in New York, NY

Q. Mr. President, thank you very much for your time.

President Obama. Thank you for having me.

Q. If I could just begin with getting your reaction to the remarks Mr. Ahmadinejad made yesterday, faulting America for 9/11.

President Obama. Well, it was offensive. It was hateful. And particularly for him to make the statement here in Manhattan, just a little north of Ground Zero, where families lost their loved ones, people of all faiths, all ethnicities who see this as the seminal tragedy of this generation, for him to make a statement like that was inexcusable.

And it stands in contrast with the response of the Iranian people when 9/11 happened, when there were candlelight vigils and I think a natural sense of shared humanity and sympathy was expressed within Iran. And it just shows once again sort of the difference between how the Iranian leadership and this regime operates and how I think the vast majority of the Iranian people who are respectful and thoughtful think about these issues.

Q. In your first video message to be sent in March of 2009, on the occasion of the Persian New Year, you spoke to the government of Iran, the people of Iran. And you talked about how you are committed to diplomacy. And you also said that this process of talking about all the issues on the table will only succeed if there's no threats. And with threats, this will not go forward. Yet your administration in much of this year not only threatened Iran with sanctions but finally enacted sanctions that have been branded as "crippling." What do you say to those who see this as a departure from that promise of no threats and diplomacy only?

President Obama. Well, I think we have to be—we have to look at what we've done this year, and it's very consistent. What I've said consistently is, is that we are willing to reach out with an open hand to the Iranian government and the Iranian people, because we believe that there's nothing inevitable that should cause Iran and the United States to be enemies.

There's a history there that is difficult. But it can be bridged with mutual understanding, mutual respect. And we want to see the people of Iran ultimately succeed. But the government has taken Iran on a path that has led to international condemnation.

And I think it's very important to understand that the sanctions that arose this year had to do with the fact that alone among signatories to the Nuclear Nonproliferation Treaty, Iran has not been able to convince the international community that its nuclear program is peaceful. That's not just my judgment; that's the judgment of the international community, including countries like Russia and China that generally are very hesitant to impose sanctions on other countries. But they have consistently seen a behavior on the part of the Iranian government that indicates that it has a nuclear program that does not abide by international rules and that potentially poses a threat to the region as well as the world.

Now, that's a choice that the Iranian regime has made. They can make another choice, and we would welcome them making another choice, which would be to act responsibly. They would then be able to have their rights for a peaceful nuclear

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program under the Nuclear Nonproliferation Treaty. And that would remove the sanctions and would allow them to fully enter the international community in a way that would tremendously benefit the Iranian people. But we have not seen them make that choice yet.

So this is not a matter of us choosing to impose punishment on the Iranians. This is a matter of the Iranians' government I think ultimately betraying the interests of its own people by isolating it further.

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Q. For a lot of Iranians, they're looking at the—how this scenario is playing out. Many see similarities to the run-up to the Iraq War—you know, the succession of U.N. resolutions, toughened economic sanctions, on and off talk about war and a military strike. What do you say to them that are worried that they'll wake up to a military attack by America or Israel?

President Obama. Well, I think what people should remember is that I don't take war lightly. I was opposed to the war in Iraq. I am somebody who's interested in resolving issues diplomatically. I think that we have been very clear that the Iranian government has—and the nation of the Islamic Republic of Iran—have a right to peaceful nuclear programs and peaceful nuclear power. That is a right that all NPT members have.

So the Iranian government itself has said we are not interested in nuclear weapons. That's their public statement. If that's the case, there should be a mechanism whereby they can assure and prove to the international community, including the IAEA, that that is in fact the case. And if they take those constructive steps in serious negotiations, then not only should there not be a threat of war but there also won't be the sanctions that are currently in place.

Again, the United States here is not operating unilaterally. There may have been strong objections to the United States going into Iraq. This is a situation where we've got the U.N. Security Council and countries that have significant business dealings with Iran making decisions not to do business with Iran despite the fact that Iran is a significant oil producer. When a country like Japan or South Korea or China or Russia—all of whom have commercial dealings with Iran—make these decisions, they do so at great cost to themselves.

And the reason they're doing it is not simply because we're pressuring them. The reason they're doing it is because they too see a threat of destabilization if you have an Iranian regime pursuing nuclear weapons and potentially triggering an arms race in the region that could be dangerous for everybody.

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Q. On Afghanistan—we have a large Persian audience in Afghanistan who watch BBC. And they're hearing all these mixed messages, competing statements, about what really July 2011 means. And they're worried about the commitment that America has to Afghanistan. Will you stay there until the job is done?

President Obama. Well, we are going to stay there until the job is done. The job is to provide Afghans themselves the capacity to secure their own country. And so the July 2011 date is a date in which, having ramped up our armed presence in Afghanistan in order to provide space and time for the Afghan security forces to develop and strengthen and to blunt the momentum of the Taliban, we will then start gradually reducing the number of U.S. troops and coalition troops that are inside of Afghanistan.

That's something that I think the Afghan people want. Afghans are a very proud people, and this is a sovereign government. So we are providing them assistance. And in the short term I increased our troop levels because, frankly, we had neglected the security situation and Taliban had been able to regain momentum and control of vast portions of the country.

But now we're seeing Afghan security forces trained. We're seeing Afghan police trained. We've got a very effective civilian effort there in order to help build infrastructure and improve the day-to-day lives of people within Afghanistan. So starting in July '11, we'll begin to draw down those additional troops.

But we're not going to suddenly leave, turn off the lights and go home on that date. What will happen is, as we are training up more and more Afghan security forces, they're becoming more effective, we will transition so that they are starting to take over more responsibility for security. And slowly, the United States' troop presence, as well as coalition troop presence, will diminish.

That I think is something that is in the interests not just of the United States, but it's also in the interests of the Afghan people.

Q. I have very short time, Mr. President. Iran, you've said, could play a constructive role in Afghanistan. You have a common enemy, being Taliban. Is there a sense that you would take Iran up on its offer that it's publicly announced that they would—they're ready to assist. Would you take them up on that offer?

President Obama. Well, I think that Iran and all the countries in the region can play a constructive role in Afghanistan. This is a country that's been war torn. Most Afghans, like people around the world, simply want an opportunity to make a living, support their families, provide an education for their children.

And so I think the entire region would benefit from a stable, peaceful Afghanistan. And we are willing to work with Iran and all the other countries in the region to achieve that goal.

Now, I have to say there have been times where the Iranian government I think has said publicly it wants to work on these issues. Behind the scenes, we see evidence that occasionally they have actually helped insurgents in ways that end up harming our troops. But we will continue to explore ways in which we can work with all the countries in the region, including Iran, to stabilize Afghanistan.

I think this is one more example of where potentially the United States and Iran could end up working together on a whole range of issues. In order to do that, though, the Iranian regime has to make a decision that it is not simply maintaining power based on animosity towards the United States, based towards outrageous statements in the international community, but rather is looking for constructive ways to improve the lives of ordinary people

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inside of Iran.

And if that shift in orientation takes place, I think the opportunities for tremendous progress for a great nation and a great civilization exists. If it doesn't, then it's going to continue to be isolated and it's going to continue I think to cause friction not just with the United States, but with the world community.

Statement by President Obama to the United States Congress, September 28, 2010[23]

TO THE CONGRESS OF THE UNITED STATES:

President Obama. Pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq*.) (IEEPA), I hereby report that I have issued an Executive Order (the "order") that takes additional steps with respect to the national emergency declared in Executive Order 12957 of March 15, 1995.

In Executive Order 12957, the President found that the actions and policies of the Government of Iran threaten the national security, foreign policy, and economy of the United States. To deal with that threat, the President in Executive Order 12957 declared a national emergency and imposed prohibitions on certain transactions with respect to the development of Iranian petroleum resources. To further respond to that threat, Executive Order 12959 of May 6, 1995, imposed comprehensive trade and financial sanctions on Iran. Finally, Executive Order 13059 of August 19, 1997, consolidated and clarified the previous orders.

I have determined that the actions and policies of the Government of Iran on or after its presidential election of June 12, 2009, including its violent response to peaceful demonstrations and its commission of serious human rights abuses, warrant the imposition of additional sanctions.

The prohibitions contained in the new order implement section 105(a) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111 195) (CISADA) concerning, *inter alia*, the imposition of sanctions pursuant to IEEPA with respect to each person on the list referred to in section 105(b). I applaud the efforts of the Congress to demonstrate the strong and sustained commitment of the United States to advancing the universal rights of all Iranians, and to sanction those who have abused their rights. The order, however, goes beyond the scope of section 105 of CISADA by imposing sanctions pursuant to IEEPA on persons who meet a broader set of criteria than those specified in section 105(b).

The order blocks the property and interests in property of persons listed in the Annex to the order, who I have determined meet the first of the three criteria set forth below. The order also provides criteria for designations of persons determined by the Secretary of the Treasury, in consultation with or at the recommendation of the Secretary of State:

to be an official of the Government of Iran or a person acting on behalf of the Government of Iran (including members of paramilitary organizations) who is responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, the commission of serious human rights abuses against persons in Iran or Iranian citizens or residents, or the family members of the foregoing, on or after June 12, 2009, regardless of whether such abuses occurred in Iran;

to have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the activities described in section 1(a)(ii)(A) of the order or any person whose property and interests in property are blocked pursuant to the order; or

to be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to the order.

I have delegated to the Secretary of the Treasury the authority, in consultation with the Secretary of State, to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA and the relevant provisions of CISADA, as may be necessary to carry out the blocking related purposes of the order and to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA, as may be necessary to carry out section 104 of CISADA. I have delegated to the Secretary of State the functions and authorities related to visa sanctions conferred upon the President by the relevant provisions of CISADA. I have also delegated to the Secretary of State, in consultation with the Secretary of the Treasury, the function of submitting to the appropriate congressional committees referred to in section 105(b) of CISADA the initial and updated lists of persons who are subject to visa sanctions and whose property and interests in property are blocked pursuant to the order. All executive agencies of the United States Government are directed to take all appropriate measures within their authority to carry out the provisions of the order.

BARACK OBAMA

White House Statement, September 29, 2010[24]

The United States is strongly committed to the promotion of human rights around the world, including in the Islamic Republic of Iran. In accordance with U.S. law and the Administration's commitment to human rights for the Iranian people, the President has signed an Executive Order authorizing the Departments of State and Treasury to impose sanctions on eight Iranian government officials tied to serious human rights abuses against the people of Iran.

These measures are being taken pursuant to the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, which imposes sanctions against senior officials in the Iranian government who, based on credible evidence, were involved in the commission of serious human rights abuses during or after Iran's 2009 presidential election. The individuals designated will be subject to financial sanctions and visa ineligibilities under U.S. law. The list of names is not exhaustive and will continue to grow based on events in Iran, and as additional information and evidence becomes available.

As the President noted in his recent

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address to the United Nations General Assembly, human rights are a matter of moral and pragmatic necessity for the United States. The United States will always stand with those in Iran who aspire to have their voices heard. We will be a voice for those aspirations that are universal, and we continue to call upon the Iranian government to respect the rights of its people.

Remarks by Secretary of State Clinton and Secretary of the Treasury Geithner, September 29, 2010[25]

Secretary Hillary Clinton and Secretary Timothy Geithner delivered these remarks in Washington, D.C.

Secretary Clinton. Thank you very much, Mark, and I'm delighted to have Secretary Geithner here at the State Department for this important announcement.

Yesterday, President Obama signed an Executive Order targeting eight Iranian officials responsible for serious and sustained human rights abuses since the disputed election of June 2009. On these officials' watch or under their command, Iranian citizens have been arbitrarily arrested, beaten, tortured, raped, blackmailed, and killed. Yet the Iranian Government has ignored repeated calls from the international community to end these abuses, to hold to account those responsible and respect the rights and fundamental freedoms of its citizens. And Iran has failed to meet its obligations under the International Covenant on Civil and Political Rights.

The steady deterioration in human rights conditions in Iran has obliged the United States to speak out time and time again. And today, we are announcing specific actions that correspond to our deep concern. The mounting evidence of repression against anyone who questions Iranian Government decisions or advocates for transparency or even attempts to defend political prisoners is very troubling.

This week, Iranian authorities banned two reformist political parties and shut down two more newspapers. This follows a series of convictions and harsh sentences for a number of political prisoners. Two internationally recognized human rights defenders were sentenced to six-year prison terms. A student leader was given an eight and a half year sentence for insulting the president. Human rights lawyers, bloggers, journalists and activists for women's rights have all been jailed and many have fallen ill due to mistreatment in prison.

Now, these actions obviously contradict recent claims made at the United Nations that Iranians enjoy the right of free expression and that no one is imprisoned for political reasons. In signing this Executive Order, the President sends the message that the United States stands up for the universal rights of all people. And as President Obama said at the United Nations last week, we will call out those who suppress ideas. We will serve as a voice for the voiceless. And we will hold abuse of governments and individuals accountable for their actions.

This is the first time the United States has imposed sanctions against Iran based on human rights abuses. We would like to be able to tell you that it might be the last, but we fear not. We now have at our disposal a new tool that allows us to designate individual Iranians, officials responsible for or complicit in serious human rights violations, and do so in a way that does not in any way impact on the well-being of the Iranian people themselves.

The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 permits us to impose financial sanctions and deny U.S. visas to specific Iranian officials where there is credible evidence against them. In doing so today, we declare our solidarity with their victims and with all Iranians who wish for a government that respects their human rights and their dignity and their freedom. By doing so, we convey our strong support for the rule of law, and we speak out for those unable to speak for themselves because they are jailed or frightened or fear retribution against themselves or their families.

Today, again, we call for the immediate release of all political prisoners in Iran and around the world, and we call on the Iranian Government to take actions to end these abuses and respect the universal rights and freedoms of its own citizens.

Secretary Geithner.

Secretary Geithner. Thank you, Secretary Clinton. I want to thank you and I want to compliment my colleague, Stuart Levey, and his counterparts at the State Department for working so closely together in designing these significant financial actions.

Just a few words on how these measures work and why they are effective: Rather than relying on the traditional approach of broad-based sanctions on the entire country of Iran, we have tried to focus on specific actors, institutions, and actions that threaten our interests as a whole. And we have found that when we single out individuals and expose their conduct, banks, businesses, and governments around the world respond by cutting off their economic and financial dealings with these individuals, these institutions, these businesses.

And this strategy can be very effective. We've seen a growing number of companies and financial institutions in countries around the world cut or substantially curtail their financial ties with Iran. They have decided—they have looked at, they have assessed the risks of continuing to do business with these entities, and they have decided that those risks are too great. And we already have indications that Iran's leadership is concerned about the implications about the impact of this trend.

We have made important progress, and I want to emphasize, as the Secretary of State did, that our goal is not to hurt the Iranian people; our goal is to enact strong, effective measures that will pressure the leadership of Iran to abandon their dangerous course. And we will continue to find ways to target illicit conduct in all areas that threaten our interests.

Thank you.

Q. Yeah. To both secretaries, just on the efficiency and the effectiveness of these sanctions, I mean, given the fact that thus far the rather broad sanctions that have been imposed on the IRGC and others trying to bring them back to the nuclear table haven't seemed to work, it doesn't—I'd just like to know what indications you have that those are working and why you think these, which are targeted at specific human rights abusers or alleged specific

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human rights abusers, will make any difference in their behavior.

And then Secretary Clinton, just separately, have you had any word back from the Omani delegation that is in Iran now talking about the possible release of the two remaining hikers? Thank you.

Secretary Clinton. Well, Matt, first we do believe that the sanctions in place that were achieved through effort in the United Nations and then the additional sanctions imposed by our Congress and Administration along with the EU, Japan, and others, are having an impact. Stuart Levey gave a speech in New York—last week, Stuart?

Mr. Levey. Yes.

Secretary Clinton.—outlining the evidence that we have that these sanctions are beginning to be viewed as quite serious within the Iranian political, clerical, and business communities. So from our perspective, the diplomatic effort we engaged in over the course of the last year and a half has made very clear the unity of the international community with respect to Iran's nuclear program, and we are engaged in discussions with our colleagues in the P-5+1 about an eventual return to the diplomatic table by the Iranians.

This is a different approach, as both Tim and I have said. We are using this new tool that the Congress has just given us to basically publicize and connect to the human rights abuses that are ongoing in Iran those officials about whom we have credible evidence who are responsible for either ordering or implementing these abuses, because we've always said that we not only cared about the nuclear program in Iran, we cared about the people of Iran and we cared about their conditions in their country, and we became quite concerned following the disputed elections.

So this is a—both a practical announcement in that there are financial and travel restrictions that will be imposed, but it is a statement of our values. And it is not only about the people of Iran who are suffering, but it expresses solidarity with victims of these kinds of actions around the world.

Secretary Geithner. When we found that when you focus on specific institutions, individuals, entities, and you focus on specific activities they are undertaking to demonstrate, it's easier both to get broad-based support for financial—economic consequence, and that's the basic rationale for the strategy.

Now, how do we know it's working? We can see and we can see every week how hard it is for the Iranian Government to evade, get around, these things. It's become much harder for them, the cost of doing it much more difficult, and that is having a big, visible impact in awareness among the leadership of Iran that the actions they're taking have acute, severe, significant, economic and financial consequences.

Q. On the Omanis?

Secretary Clinton. And I have nothing to add to (inaudible).

Q. Madam Secretary, I understand what you say about the fact that this new legislation gives you additional tools, but what took so long for the U.S. to name and shame these officials that were involved in the crackdown? You've been talking about how concerned you were about the human rights situation since the crackdown when it was at its most bloodiest right after the election. The opposition has been virtually kind of completely repressed and oppressed since then, and perhaps some kind of naming and shaming earlier might have given them a little bit more hope and encouragement. So was it more about making the legal case, about having the tools? Why did it take so long?

And also, do you think that—this week, you've been talking with the Iranians about getting back to the table. Do you think this move is going to cause the Iranians to pull back?

Secretary Clinton. Well, embedded in your question is the kind of evaluation that we have been engaged in consistently since the Administration came into office. We have a number of important goals in dealing with Iran. Obviously, the nuclear program and its potential to create a nuclear weaponized Iran is something that has grave consequences for the region and the balance among the countries there as well as the rest of the world. So we've been very clear, consistent, and achieved the goals that we set out in terms of the international sanctions, at the same time, offering both a diplomatic engagement as well as the pressure track.

We were very clear on criticizing the Iranian Government for their crackdown on peaceful demonstrations, on opposition, on the manipulation of the election. But we also were very mindful of the messages we were getting from Iranians both inside Iran and outside Iran that we had to be careful that this indigenous opposition that we certainly had nothing to do with that was attempting to stand up for the rights of the Iranian people was not somehow seen as a U.S. enterprise, because it wasn't.

And so walking that line and trying to be both encouraging, forthright, and strong in our support of the fundamental rights and freedoms of the Iranian people, at the same time not giving any reason for the Iranians to claim that this reaction from within was somehow either motivated or directed or connected with us, required a balancing act.

So that is what we've been doing, but we've been very consistent and persistent in pointing out the human rights abuses. And we did, with the accumulation of credible evidence, find ourselves, once the tools were in place, to be able to use them, which is what we're announcing today.

Q. Thank you. Can you give us a sense with respect to these new sanctions of the size or scope of the holdings these eight individuals have in the States?

Secretary Geithner. No, but I can tell you again, as I said before, you need to measure the impact by what it does to the incentives, businesses, and institutions around the world have for continuing to engage in economic commercial actions with Iran. The best way to measure the impact, as you've seen across a range of measures, is the direct economic financial costs to the regime of continuing on this path. And again, we have been effective, remarkably effective, in substantially raising the price of these actions, made it much harder for the government to get

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around them, much more costly to get around them, and we can see the impact in how they're behaving.

Secretary Clinton. I would only add, and it kind of takes the last question as well as this one and combines them, we in the United States are clearly not alone in calling attention to ongoing human rights abuses and violations inside Iran. And in doing what we've done today, we are moving not just from criticizing the government, but beginning to call out individuals who are decision makers within that government and who we believe we can trace decisions to abuses in a manner that makes our case very strong.

So this is an ongoing effort with our partners around the world to affect the behavior of the Iranian Government and to send a very clear message that, as those of you who have traveled with me have heard me say before, that the original intentions of the Islamic Republic of Iran to have a franchise that was respected, to have a hybrid government of the elected and the clerical leadership appears to us to be undergoing severe distortion. And it really is ultimately up to the people of Iran themselves to speak out.

But of course, they are facing tremendous repression in the face of their advocacy for a much clearer sense of their citizenship role in Iran. And we're not naïve. We know that thus far, this government has been impervious to our pleas and the pleas of many others. But we think it's essential that we continue to make the case and today, we are adding in very specific terms with specific names to that case. Thank you.

Remarks by Secretary of the Treasury Geithner, September 29, 2010[26]

Over the past several months, we've taken significant actions to increase the consequences for Iran's illicit conduct.

Using financial measures, we've been targeting Iranian officials and companies that are responsible for a range of deplorable actions.

Today, with the President's new Executive Order, the U.S. will, for the first time, impose financial sanctions against those who have committed human rights abuses against the Iranian people.

With today's action, we are imposing financial sanctions on eight government officials who have engaged in human rights abuses in Iran.

I want to explain how these measures work and why they are effective.

Rather than simply relying on traditional sanctions on the entire country of Iran, we have zeroed in on specific actors involved in illicit conduct that harms the Iranian people.

We have found that when we single out Iran's bad actors and expose their illicit conduct—banks, businesses, and governments around the world respond by cutting off dealings with these individuals, groups and businesses.

The effectiveness of this strategy is already clear.

A growing number of companies and financial institutions have cut or curtailed their financial ties with Iran.

They have assessed the risks of continuing business with Iran, and they have decided that the risks are too great.

And we already have indications that Iran's leadership is concerned about the implications of this trend.

We have made important progress, and I want to emphasize that our goal is not to hurt the Iranian people.

Our goal is to enact strong, innovative, and effective policies that will pressure Iran's leaders to abandon their dangerous course.

We will continue to target Iran's illicit conduct in all areas in an effort to curtail these unacceptable policies, and to demonstrate to Iran that continuing on its present course will only increase its isolation.

Thank you.

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1. White House Press Release, July 1, 2010.
2. White House Press Release, July 1, 2010.
3. Treasury Dept. Press Release, July 1, 2010.
4. Dept. of State Press Release, July 15, 2010.
5. White House Press Release, July 16, 2010.
6. Dept. of State Press Release, July 26, 2010.
7. White House Press Release, July 30, 2010.
8. Dept. of State Press Release, July 30, 2010.
9. Treasury Dept. Press Release, August 3, 2010.
10. Treasury Dept. Press Release, August 3, 2010.
11. Dept. of State Press Release, August 6, 2010.
12. Dept. of State Press Release, August 10, 2010.
13. Dept. of State Press Release, August 12, 2010.
14. Treasury Dept. Press Release, August 16, 2010.
15. Treasury Dept. Press Release, August 20, 2010.
16. Treasury Dept. Press Release, September 7, 2010.
17. White House Press Release, September 14, 2010.
18. Dept. of State Press Release, September 14, 2010.
19. Dept. of State Press Release, September 16, 2010.
20. Treasury Dept. Press Release, September 20, 2010.
21. Dept. of State Press Release, September 22, 2010.
22. White House Press Release, September 24, 2010.
23. White House Press Release, September 28, 2010.
24. White House Press Release, September 29, 2010.
25. Dept. of State Press Release, September 29, 2010.
26. Treasury Dept. Press Release, September 29, 2010.

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