

#### **U.S. DEPARTMENT OF STATE**

## **TESTIMONY OF:**

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## **BEFORE THE**

# UNITED STATES HOUSE OF REPRESENTATIVES COMMITTEE ON FOREIGN AFFAIRS

ON

## "IRAN NUCLEAR DEAL OVERSIGHT: IMPLEMENTATION AND ITS CONSEQUENCES "

FEBRUARY 11, 2016 10:00 A.M.

2172 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, D.C. Chairman Royce, Ranking Member Engel, distinguished Members of the Committee -I appreciate the opportunity to testify before you today on progress implementing the Joint Comprehensive Plan of Action, or JCPOA.

My name is Ambassador Steve Mull, and I am a 33 year veteran of the Foreign Service. Shortly after the JCPOA was concluded, Secretary Kerry asked me to return to Washington from my last post as U.S. Ambassador to Poland to serve as Lead Coordinator for implementing the JCPOA. In this job, I lead an interagency team composed of experts from within the Department of State, as well as at the Departments of Energy, the Treasury, and Commerce, among others, dedicated to this important work.

My job is focused on making sure the JCPOA achieves its one, crucial objective – an objective I know we all share – ensuring Iran's nuclear program is and remains exclusively peaceful. And I am pleased to report that we have made great progress toward that objective over the past six months, as Iran implemented all of its key nuclear-related commitments necessary to reach Implementation Day.

On January 16, the International Atomic Energy Agency issued a report verifying that Iran had completed its key nuclear steps under the JCPOA, thus reaching Implementation Day.

To reach Implementation Day, Iran had to verifiably complete key nuclear steps that substantially rolled back its nuclear program, placed its nuclear program under a comprehensive IAEA monitoring and verification regime, cut off all of its pathways to weapons-grade nuclear material, and lengthened its "breakout time" for enough fissile material for a single nuclear weapon from 2 to 3 months before the JCPOA to at least a year at present – if Iran were to change course, abandon the JCPOA and spring toward a bomb.. Let me highlight some examples.

In keeping with its commitments under the JCPOA, Iran has dismantled two-thirds of its installed centrifuge capacity including all of its most advanced centrifuge machines. Before the JCPOA, Iran had over 19,000 centrifuges. Today, it has just 6,104 of only its most primitive, first-generation centrifuges. And of those 6,104 machines, only 5,060 of them can be used to enrich uranium for the next decade.

Iran shipped out almost all of its enriched uranium stockpile. Pre-JCPOA, Iran had approximately 12,000 kilograms of enriched uranium. Now, Iran can have no more than 300 kilograms of up to 3.67% enriched uranium for the next 15 years. This, combined with Iran's dismantlement of two-thirds of its centrifuges, has effectively cut off Iran's uranium pathway to a nuclear weapon.

Iran removed the core of its Arak reactor and rendered it inoperable by filling it with concrete. This cut off the path by which Iran could have produced significant amounts of weapons grade plutonium. Now, the Arak reactor will be redesigned, in cooperation with a working group established under the JCPOA, ensuring that the reactor is used solely for peaceful purposes going forward.

Iran placed its nuclear program under an unprecedented IAEA verification and monitoring regime. Its key declared nuclear facilities are now under continuous monitoring using modern technologies like electronic seals and online enrichment monitors that can detect and report cheating. The IAEA also has oversight of Iran's entire nuclear fuel cycle, from uranium mills to enrichment facilities and centrifuge production plants, ensuring that Iran cannot divert nuclear materials to a potential covert program without detection.

Furthermore, any goods and technology potentially usable for nuclear purposes must now go through a procurement channel administered by the United Nations Security Council, creating yet another layer of transparency and monitoring into Iran's nuclear program.

Iran is now also provisionally applying the Additional Protocol to its Comprehensive Safeguards Agreement with the IAEA. This, along with the JCPOA's special provision to address disputes regarding IAEA access to an undeclared location within a short period of time, ensures that the IAEA will have the access it needs to verify Iran's commitments.

And finally, Iran has committed not to engage in activities, including at the research and development level, which could potentially contribute to the development of a nuclear explosive device.

These are just some of many steps Iran had to take to substantially roll back its nuclear program and reassure the world of the exclusively peaceful nature of the program before reaching Implementation Day. And just as Iran had commitments to meet, so too did the United States and our P5+1 and European Union partners.

On January 16, the United States and EU lifted nuclear-related sanctions against Iran. As a result of these actions, there are now more opportunities for legitimate business in Iran that is consistent with the JCPOA, and international banks and companies are beginning to explore those opportunities. As they proceed, it will be important that they have a clear understanding of the changed regulatory and sanctions environment with respect to Iran, and we are working closely with our colleagues at the Department of the Treasury to engage the international business community to answer their questions about the sanctions that have been lifted as well as those that remain in place.

But I want to emphasize, however, that this relief of nuclear-related sanctions is predicated on Iran's continued compliance with its commitments under the JCPOA. If Iran cheats or fails to meet its end of the bargain, the United States has an array of means to respond, including the ability to re-impose sanctions unilaterally, in part or in full, at any time.

As you know, our government both engages with Iran on its nuclear program and works with partners around the world to oppose Iran's actions on a host of issues unrelated to this nuclear deal. For example, we continue to have concerns and take actions to counter Iran's support for terrorism, its human rights abuses, and threats from its ballistic missile program. All U.S. sanctions on Iran that are not nuclear-related remain in effect. As evidenced just a few weeks ago when we designated for sanctions a number of individuals and entities for supporting Iran's

ballistic missile program, the JCPOA in no way limits our ability or will to use these tools to respond to Iran's other destabilizing activities.

This is precisely why our allies and nations around the world support this deal – it eliminates the threat of a nuclear-armed Iran, gives the international community unprecedented tools to ensure Iran's nuclear program remains exclusively peaceful moving forward, and does not limit our ability to respond to Iran's destabilizing policies and actions. In short, it makes the world safer.

The JCPOA has received broad international support, including from our allies in the Gulf Cooperation Council (GCC) and over 100 countries around the world. It has been endorsed by the United Nations Security Council and multinational organizations such as the North Atlantic Treaty Organization.

And we have recently seen signs that Israel, our close partner and friend with whom we have had extensive consultations and more than a few disagreements over the JCPOA, is now publicly acknowledging the positive benefits of the JCPOA.

Speaking at an annual security conference in Tel Aviv a few weeks ago, Israel Defense Forces Chief of Staff Lieutenant General Gadi Eisenkot acknowledged that the JCPOA reduces the immediate Iranian threat to Israel because it "rolls back Iran's nuclear capability and deepens the monitoring capabilities" of the international community into Tehran's activities. In those same remarks, Eisenkot also said that he believes that, "Iran will make great efforts to fulfill their side of the bargain."

Of course, we will remain vigilant regarding Iran's compliance with the JCPOA. The JCPOA was not built on a prediction of what the future will bring. It was built on verification instead of trust, and my team and I will continue working every day to confirm that Iran is living up to its JCPOA commitments.

The Administration looks forward to continuing to engage with this Committee and with Congress more broadly on this important topic. I look forward to answering your questions today.

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