

The Iran Agreement is Working, But Congress Has More to Do



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Takeaways

With the onset of Implementation Day on January 16, 2016, the first crucial milestone of the Iran nuclear agreement was reached. This agreement continues to keep America and our allies safer because:

- The Joint Comprehensive Plan of Action (JCPOA) —despite what critics have claimed—has successfully pushed back Iran’s potential nuclear breakout time from two months to more than a year;
- Iran has met its commitments thus far, and will continue to submit to the most rigorous inspections regime of any arms control agreement;
- The U.S. will preserve the capability to snapback sanctions or employ military options if Iran attempts to violate the agreement.

Going forward, it will be vital for Congress to continue its due diligence in overseeing the agreement and addressing its weaknesses in the years to come to prevent Iran from ever acquiring a nuclear weapon.

In this report we show how the JCPOA is working and why the progress reached on Implementation Day has proven critics of the deal wrong. Congress, however, can work on improving oversight of the agreement and effectively address its weaknesses. We lay out next steps Congress can take to maintain an independent role in strengthening the agreement, verifying it, and addressing potential Iranian violations.

Proving the Critics Wrong

Overview of the Deal

The nuclear agreement reached last summer committed Iran to scale back its nuclear program and freeze it for decades. In return, the international community promised to lift certain nuclear-related sanctions against Iran—but only once the International Atomic Energy Agency (IAEA) verified that Iran fulfilled its obligations. In January, the IAEA did just that, confirming Iran had fulfilled its commitments under the JCPOA on Implementation Day, allowing the UN, U.S. and EU to lift nuclear-related sanctions on Iran.

With the JCPOA, Iran has restated its commitments under the Nuclear Nonproliferation Treaty (NPT) to not acquire nuclear weapons. Iran is now also required to implement and ratify the Additional Protocol—an IAEA agreement for countries under suspicion of nuclear activity allowing additional IAEA inspections. Lastly, Iran agreed to implement its safeguards agreement with the IAEA, which will add another layer of inspections and transparency over Iran's nuclear program.¹ These agreements combined allow unprecedented access to

Iran's nuclear program by the IAEA beyond the life of the JCPOA.

Accomplishments

On Implementation Day, January 16, 2016, the JCPOA passed its first critical test. The IAEA confirmed that Iran:

Reduced its Enrichment Capacity:

- Iran's installed centrifuges decreased from 19,000 to 6,104.
- Iran's remaining centrifuges are in sealed storage under IAEA monitoring.
- No uranium enrichment over 3.67% of low-enriched uranium (LEU) is allowed for the next 15 years. This is far below weapons grade uranium levels, which would require 90% uranium enrichment.
- Iran's 10,000 kg stockpile of LEU was cut down to 300 kg, and will remain at this level for 15 years. The excess stockpile was shipped out of the country.
- Iran agreed not to build any new facilities allowing uranium enrichment for the next 15 years.

Converted the Fordow facility to a medical research center:

- Iran converted the facility from a uranium enrichment facility into a medical isotope research center for the next 15 years.
- No uranium enrichment will be allowed here for 15 years.

Redesigned the Arak reactor:

- The core of the reactor was removed and destroyed. The reactor has been redesigned to support peaceful nuclear research.
- All excess heavy water beyond Iran's needs will be exported for 15 years.

Allowed IAEA access to verify and monitor nuclear facilities, including access to and monitoring of:

- The Natanz and Fordow facilities.
- Iran's nuclear supply chain.
- Iran's uranium mines and mills.
- Centrifuges.
- Production of centrifuge rotors and bellows.
- Storage areas.
- Suspicious sites.

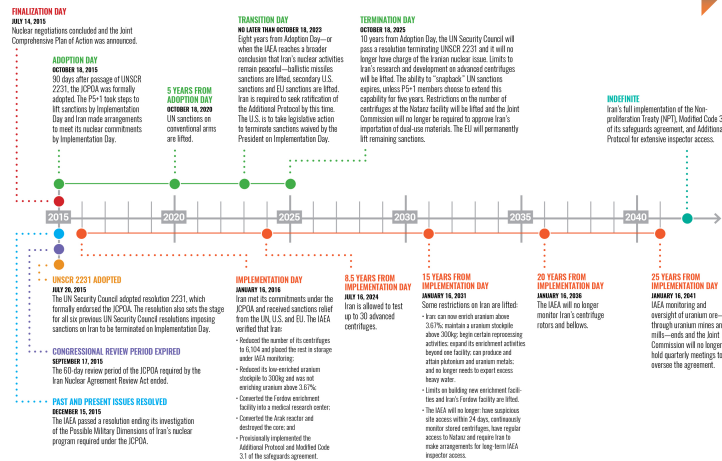
Implemented the Additional Protocol of the IAEA.

Addressed IAEA concerns on Past and Present Outstanding issues of the Possible Military Dimensions (PMD) of Iran's nuclear program under the Roadmap agreement with the IAEA. On December 15, 2015 the IAEA voted to close its investigation into the PMD aspects of Iran's nuclear program. ²

These steps pushed Iran's breakout time to a nuclear weapon back to one year. Before the Joint Comprehensive Plan of Action, it could have taken Iran as little as two months to potentially acquire a nuclear weapon—and that was with a rigorous sanctions regime against it. In return for these restrictions, the international community lifted various sanctions on Iran while retaining the capability to re-impose them if Iran breaks the deal.

Timeline of the Joint Comprehensive Plan of Action

The JCPOA includes restrictions on Iran's nuclear program for 25 years—many of which are gradually phased out over the course of the agreement. The timeline below outlines the agreement's major milestones and verification measures.¹



¹This timeline is based on the Joint Comprehensive Plan of Action released by the Obama Administration on July 14, 2015. Available at: <http://www.state.gov/e/eb/115131/iran/jcpoa/>. See also: Roubini, Quinones, "IAEA Board Adopts Landmark Resolution on Iran PMOI Case," International Atomic Energy Agency, December 15, 2015, Accessed February 9, 2016. Available at: <http://www.iaea.org/newscenter/news/iaea-board-adopts-landmark-resolution-iran-pmoj-case>.

Sanctions

On Implementation Day, the six previous United Nations Security Council Resolutions imposing sanctions on Iran's nuclear program were terminated.³ The U.S. and EU suspended various sanctions against Iran on Implementation Day, including from the energy, banking, shipping and automotive sectors. In addition, about \$100 billion in frozen Iranian assets, made from previous oil sales, was released back to the country.⁴ Treasury and State Department officials recently testified that more than \$50 billion of this is already committed to Iran's debts and various projects.⁵ It's important to note that only the sanctions related to Iran's nuclear weapons program were lifted. U.S. sanctions against Iran regarding terrorism and human rights will remain in place. Iran had initially wanted UN ballistic missiles sanctions lifted immediately, but the U.S. pushed back. These sanctions, which were originally put in place to curb Iran's nuclear weapons program, will remain in place for another eight years. Lastly, new sanctions the U.S. placed on Iran in January for its ballistic missile tests will remain in effect.

Addressing the Critics

Despite vast support for the agreement, Republicans were quick to denounce the JCPOA long before the ink was dry.

Below are brief rebuttals to the most common and misleading Republican arguments against the JCPOA.

Claim: Iran will use its access to \$100 billion in unfrozen assets to finance terrorist proxies.

Response: Most of this money will sit in foreign banks to prevent inflation in Iran.⁶ Iran owes more than \$50 billion of this to debt payments and infrastructure projects. Further, Iran is still listed as a state sponsor of terrorism and will continue to be under extensive terrorism sanctions from the U.S.

Claim: Iran will be allowed to inspect itself, rather than being inspected by the IAEA.

Response: This is false. The JCPOA explicitly states in Annex I that the IAEA will be provided access to monitor facilities for several years. IAEA staff in Iran will be increased to 130-150 members.⁷ IAEA Director General Yukiya Amano has also dismissed this claim, reassuring the public that IAEA inspections in Iran are consistent with long-established IAEA safeguard practices.⁸

Claim: Prime Minister Netanyahu criticized the agreement's dispute resolution mechanism, claiming Iran would be able to hide any nuclear activity before inspectors get in.

Response: The P5+1 can vote to ensure IAEA access to suspicious sites within 24 days at the most. Experts, including Secretary of Energy Ernest Moniz, say this time frame is not sufficient to hide any nuclear activity.⁹ The half-life of uranium is millions of years, and would leave traces well beyond 24 days. Much like leaving DNA at a crime scene, it would be impossible for Iran to hide its nuclear activities. Investigators would easily be able to detect traces of nuclear activity through environmental samples.

Claim: The Obama Administration didn't punish Iran for its recent ballistic missiles tests.

Response: The Obama Administration has imposed sanctions on Iran for these tests. To ensure the safe return of American

hostages, including Washington Post journalist Jason Rezaian and former U.S. Marine Amir Hekmati, the Administration delayed imposing sanctions. The day after these Americans were safely out of Iran, the Administration imposed severe sanctions for Iran's illegal tests.¹⁰

Claim: The agreement creates an emboldened Iran which endangers our allies.

Response: Our Arab allies have come out in support for the agreement and the U.S. has provided additional assistance to guarantee their security. A coalition of Iran's Arab neighbors, including Saudi Arabia, expressed confidence that "all the efforts that have been exerted make this region very secure, very stable."¹¹ Following Implementation Day, the Israel Defense Forces' Chief of the General Staff, Lieutenant General Gadi Eisenkot, acknowledged that the JCPOA has eliminated the greatest threat to Israel.¹²

While the Iran deal has plenty of critics, it has a growing list of supporters who have highlighted the success of Implementation Day (see Appendix). Because of the JCPOA and the arrival of Implementation Day, Iran's breakout time to a nuclear weapon has been pushed back to one year from two months. Should Iran attempt to break the agreement, the U.S. and the international community will have the time and ability to respond.

What Happens if Iran Cheats?

The JCPOA includes mechanisms to quickly reinstate sanctions if Iran violates the agreement. Under the JCPOA, the six UNSC resolutions terminated on Implementation Day can be re-imposed if Iran doesn't comply with the agreement. A member of the P5+1 need only alert the UN Security Council of a violation by Iran and these UN sanctions will be re-imposed if the issue is not resolved within 30 days. This is more than enough time for the IAEA to discover radioactive traces in Iranian nuclear facilities. The P5+1 members can use this snapback mechanism for 10 years of the JCPOA and have the option to extend it another five years

if they feel Iran may be in noncompliance with the JCPOA at the 10-year mark.

The U.S. and EU will also be able to snapback sanctions if Iran violates the agreement. If Iran cheats, the United States could reinstate sanctions “in a matter of days.”¹³ These would include sanctions against Iran’s oil and financial sectors, as well as the possibility of new sanctions.

Next Steps for Congress

The JCPOA isn’t perfect, but it is the best path forward to prevent a nuclear-armed Iran and maintain transparency over its nuclear program for decades. Implementation Day proved the merits of the JCPOA in restricting Iran’s nuclear ambitions. More can be done going forward, however, and there are a variety of ways for Congress to maintain rigorous oversight of the JCPOA and strengthen it.

1. In the near term, Republican Senators must stop blocking confirmations of qualified nominees who are critical to implementing the JCPOA. Adam Szubin, nominated to be the Under Secretary of the Treasury for Terrorism and Financial Intelligence, has been held up in the Senate since April 2015. This official will prevent illicit financial support to Iranian-backed terrorists and oversee the economic sanctions regime against Iran.

2. Congress should pass legislation creating a bipartisan, bicameral Congressional Commission to oversee verification of the JCPOA and Iranian compliance. This commission would include members from the relevant committees, as well as relevant agency representatives, to regularly review the status of the JCPOA and maintain a proactive role over the course of the agreement. This would serve as an additional venue dedicated to oversight of the JCPOA to review reports submitted to Congress from the Administration, as well as IAEA and Joint Commission meetings and reports. Much like the Helsinki Commission, the Congressional Commission would maintain a small staff devoted entirely to monitoring Iranian compliance with the JCPOA. The commission should meet regularly and provide recommendations on appropriate legislative action. In addition, Congress should closely monitor reports submitted under the Iran Nuclear Agreement Review Act of 2015. Members must hold Iran accountable in reviewing these reports and Iran's compliance with the JCPOA.

3. Congress must do its part by providing the President's full request for IAEA funding, allowing the IAEA the resources and personnel required to verify Iran's nuclear commitments. IAEA Director General Amano has stated the agency will require \$10.5 million every year for the Iran nuclear issue, which is a pittance to ensure that Iran does not obtain a nuclear weapon. ¹⁴

4. The U.S. State Department recently created the position of Lead Coordinator for Iran Nuclear Implementation, who will be in charge of the interagency process to verify Iran's implementation of the JCPOA. This office must be fully funded by Congress in order to have the resources required to oversee implementation of the agreement. Regular updates, briefings and hearings from the Lead Coordinator, as well as relevant agency officials, on the status of JCPOA implementation and any Joint Commission meetings will be necessary. U.S. intelligence agencies must also have increased funding levels from Congress in order to do its work, which may include alerting the IAEA to any intelligence they feel may prove Iran is violating the JCPOA.
5. Congress will lead the way in authorizing military operations in the event that force is necessary. The expansive transparency we have over Iran's nuclear program because of the agreement enhances our military option, should the U.S. need to use it. Secretary of Defense Ash Carter has said, "...any prospective military option, if called for, will be more effective under this deal."¹⁵ The JCPOA provides the U.S. with more information on Iran's nuclear program and allows better planning in the event that a military option is needed. The United States has the most advanced and capable military in the world. If Iran violates the JCPOA and attempts to acquire a nuclear weapon, the United States reserves the right to use military force against Iran.¹⁶

Conclusion

The nuclear agreement with Iran is working. It has effectively scaled back Iran's nuclear program and put in place a stringent monitoring and verification program for decades to come. On Implementation Day, the agreement passed its first crucial test. Although it's not perfect, the JCPOA has eliminated the threat of a nuclear-armed Iran and secured our regional allies—all while maintaining our capabilities to respond to any attempt by Iran to cheat. Going forward,

Congress must maintain a proactive role overseeing the agreement and holding Iran accountable.

Appendix

Below is a list of organizations and experts who have highlighted the success of Implementation Day.

1. Dr. Jim Walsh, Dr. Edward Levine, and Lieutenant General Robert Gard; The Center for Arms Control and Non-Proliferation. ¹⁷
2. Lieutenant General Gadi Eisenkot; Chief of General Staff of the Israel Defense Forces. ¹⁸
3. The Arms Control Association. ¹⁹
4. Center for a New American Security. ²⁰
5. Center for American Progress. ²¹
6. Robert Einhorn; Brookings Senior Fellow and Former State Department official. ²²
7. Gary Samore, Nicholas Burns, Graham Allison, Aaron Arnold, Matthew Bunn, Richard Nephew, and Stephen Walt; experts with the Belfer Center for Science and International Affairs. ²³
8. Anthony H. Cordesman, Arleigh A. Burke Chair in Strategy; Center for Strategic and International Studies. ²⁴
9. Roger Cohen, Op-Ed Columnist; *The New York Times*. ²⁵

END NOTES

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- 9.** United States, U.S. Senate, U.S. Senate Foreign Relations Committee, “Iran Nuclear Agreement Review,” Testimony by Secretary of Energy Ernest Moniz, 114th Congress, 1st Session, July 23, 2015, p. 3. Accessed on February 3, 2016. Available at <http://www.foreign.senate.gov/imo/media/doc/07-23-15%20Moniz%20Testimony.pdf>.
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- 15.** Ash Carter, "Iran Deal Features Defense Backstop," *USA Today*, September 4, 2015. Accessed February 16, 2016. Available at: <http://www.usatoday.com/story/opinion/2015/09/03/ash-carter-iran-deal-strengthens-us-military-strategy/71610152/>.
- 16.** The former chairman of the Joint Chiefs of Staff, General Martin Dempsey, testified last July to the Senate Armed Services Committee on the nuclear deal, where he affirmed that the agreement did not prevent the U.S. from striking Iran if they violate the agreement. In a letter to a member of Congress, President Obama reiterated that "[s]hould Iran seek to dash toward a nuclear weapon, all of the options available to the United States – including the military option – will remain available through the life of the deal and beyond." See also: Helene Cooper and Gardiner Harris, "Top General Gives 'Pragmatic' View of Iran Nuclear Deal," *The New York Times*, July 29, 2015. Accessed February 5, 2016. Available at: <http://www.nytimes.com/2015/07/30/world/middleeast/nuclear-deal-reduces-risk-of-conflict-with-iran-top-us-general-says.html>; See also: President Barack Obama, "The Iran Nuclear Agreement," Letter to the Honorable Jerrold Nadler, August 19, 2015, The White House. Accessed February 8, 2016. Available at: http://www.nytimes.com/interactive/2015/08/20/world/middleeast/document-obamas-letter-to-congressman-nadler.html?_r=0.
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