

# United States Senate

WASHINGTON, DC 20510

Friday, March 12, 2010

The Honorable Barack Obama  
President of the United States  
The White House  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

Dear Mr. President:

We write to urge your support for comprehensive Iran sanctions legislation, which is nearing final passage in Congress. We believe that attempts at diplomacy will continue to be rebuffed by the government of Iran, and that our window for implementing meaningful, “crippling” sanctions against Iran is getting narrower by the day.

As you know, Iran is making progress in developing its nuclear program. It now has stored enough low-enriched uranium to build at least one nuclear weapon and has recently begun to enrich uranium to nearly 20-percent enrichment. It will soon be able to install and operate much more advanced and efficient centrifuges; the latest report by the International Atomic Energy Agency (IAEA) suggests its weaponization program may be far more advanced than has been commonly understood.

Because of its failure to take even the smallest steps to halt its nuclear weapons program consistent with its NPT obligations, Iran should feel the consequences of its defiance of the international community. Now is the time to send a message to Tehran's leadership by implementing swift and strict sanctions.

We believe that the comprehensive Iran sanctions legislation being considered in Congress would strengthen existing sanctions while complementing your administration's efforts to pursue multilateral diplomatic engagement. The legislation would give your administration the capability to increase the sanctions in place against Iran and give you the flexibility to apply them consistent with the national security interest of the United States.

While we support your pursuit of sanctions at the United Nations Security Council, we are concerned some Security Council members, especially China, appear to be using their seat to safeguard their interests in Iran against international sanctions that could harm it economically. As you are aware, China has emerged as one of Iran's main trading partners and one of the largest investors in that nation's energy sector.

For example, in January 2009, Iran and China signed a \$1.76 billion contract for the initial development of the North Azadegan oil field in western Iran. In March of that year, the two countries signed a three-year \$3.39 billion deal to produce liquefied natural gas in Iran's South Pars natural gas field. The Congressional Research Service and the Government Accountability Office have documented numerous other examples of China's violation of existing sanctions

laws, including, most flagrantly, the Iran Sanctions Act. Additionally, Iran imports one third of its refined products such as petroleum from China.

The recent enhancement of the Iran-China economic relationship has coincided with efforts by the United States and Western nations to urge foreign and multinational companies to stop investing in Iran. Even now, China is working to undermine sanctions on Iran at the U.N Security Council. Yet, according to recent reports, your administration is pushing to carve out an exemption for China and other permanent members of the U.N. Security Council from Iran sanctions legislation. As crucial as it is to work with our international partners to eliminate Iran's nuclear weapons program, explicit exceptions for certain countries would weaken the effect of our sanctions. Such exemptions would also make it easier for countries like China to undermine international efforts to sanction companies that support key sectors of Iran's economy.

Since you would have ample waiver authority in the sanctions legislation as it passed the House and Senate, we ask that you not encourage or support any attempts to change the legislation to include exemptions for firms of countries that are financing the activities of the regime in Tehran. Our standard for sanctions should be uniform across the board, unless the President decides that granting a waiver in a particular case is in the national security interest of the United States.

As Congress finalizes new Iran sanctions legislation, we urge you to take action against the regime with the tools at your disposal. First, we urge you to enforce the Iran Sanctions Act, which has laid dormant since 1998. A recent New York Times report ("U.S. Enriches Companies Defying Its Policy on Iran") stated that over the past decade the federal government has awarded more than \$107 billion to companies doing business in Iran, including "\$15 billion paid to companies that defied American sanctions law by making large investments that helped Iran develop its vast oil and gas reserves." This situation demands immediate action; you have sufficient authority to order the General Services Administration to immediately review all U.S. government contracts.

Second, the Iranian regime is – beyond doubt – a threat to global stability because of its appalling human rights record and its continued determination to promote violence and extremism in countries around the region. We, therefore, urge you to use current authority to punish those entities in Iran that are directly responsible for crimes against the Iranian people. The new sanctions legislation includes additional sanctions for human rights abusers in the Iranian leadership and we encourage you to make full use of those new measures once you sign them into law.

We are committed to working with you to do everything that is required to stop Iran's acquisition of a nuclear weapons capability and remain determined to pass comprehensive sanctions legislation that will provide you with additional leverage to stop Iran's illicit nuclear activities. We trust you will then quickly and vigorously apply it. We look forward to working with you on this important task.

Sincerely,



Senator Charles E. Schumer



Senator Jon Kyl



Senator Barbara Mikulski



Senator Richard Burr