

MEMO

June 9, 2010

U.N. Security Council Toughens, Expands Iran Sanctions

The U.N. Security Council today imposed significant new sanctions on Iran for its defiance of the world body's five previous resolutions demanding a halt to its illicit nuclear program. The international community must immediately act to fully implement the decision of the Security Council as Iran has stockpiled enough low enriched uranium that—if further processed—could produce two nuclear weapons. At the same time, the United States—which pressed hard for the U.N. action—and our allies, such as the EU, must immediately reinforce the U.N. measure with tougher national and multilateral sanctions.

The sixth U.N. resolution demands that Iran suspend its nuclear activity, including the enrichment of uranium.

- U.N. Security Council Resolution 1929 demands Iran suspend all uranium enrichment activity, including to the 20 percent purity level. Enrichment to this level represents 85 percent of the work needed to produce weapons grade fuel.
- Iran has acquired enough low enriched uranium for two nuclear bombs—if further enriched to weapons grade—and has doubled the number of installed centrifuges enriching uranium to the 20 percent level, according to the latest International Atomic Energy Agency report.
- The new resolution requires Iran to fully cooperate with the IAEA and provide inspectors access without delay to all sites, people and documents that they request. Since August 2008, Iran has refused to cooperate with the IAEA.
- The resolution prohibits Iran from carrying out nuclear-related activities in third nations, including mining for uranium. It also bars Iran from testing ballistic missile technology that could be used to carry a nuclear warhead.



The U.N. Security Council passed its sixth resolution demanding Iran stop its illicit nuclear program.

The resolution imposes severe sanctions on those Iranian banks, companies and other entities assisting its proliferation activities.

- The resolution strengthens an arms embargo on Iran, prohibiting nations from exporting to Iran battle tanks, armored combat vehicles, large caliber artillery systems, combat aircraft, attack helicopters, warships, and missiles or missile systems.
- The resolution imposes financial and travel sanctions on specific Islamic Revolutionary Guard Corps (IRGC) individuals and companies involved in Iran's nuclear and missile program. All nations are called on to use extra vigilance with any transactions involving the IRGC that could contribute to Iran's proliferation and sensitive nuclear activities.

- Nations are authorized to inspect suspicious Iranian air and sea cargo for illicit items, interdict shipments in port and on the high seas, and confiscate any banned items found.
- The Islamic Republic of Iran Shipping Lines (IRISL) is sanctioned for its role in transferring nuclear and missile program components. IRISL vessels have also repeatedly been caught exporting weapons to Hamas and Hizballah.
- The Council called on all nations to use extra vigilance concerning transactions with all Iranian financial institutions, including the Central Bank of Iran (CBI), which facilitates Iran's proliferation and terrorist activity and acts as a front for previously sanctioned Iranian banks.

The United States must build on the Security Council's actions and enact new sanctions while increasing enforcement of current sanctions.

- Secretary of State Hillary Clinton and Ambassador Susan Rice worked tirelessly at the U.N. and with Security Council member states to enact a strong resolution. This work must be continued to ensure strong enforcement of the resolution's provisions.
- As President Obama said, "We will ensure that these sanctions are vigorously enforced, just as we continue to refine and enforce our own sanctions on Iran, alongside our friends and our allies."
- Steps necessary for the U.S. government to carry out the intent of the new resolution include the following:
 - Outlawing transactions with the Central Bank of Iran by designating the bank as an entity of proliferation concern;
 - Sanctioning foreign firms investing in Iran's energy sector;
 - Sanctioning foreign financial institutions continuing to conduct transactions with designated Iranian banks;
 - Enhancing overseas export efforts to ensure sensitive U.S. technologies are not being re-exported to Iran in violation of U.N. sanctions;
 - Dramatically increasing U.S. Navy interdiction of vessels traveling to and from Iran suspected of carrying prohibited cargoes; and
 - Completing work this month on new sanctions legislation now being finalized by Congress that targets Iran's dependence on imported refined petroleum.

The United States must encourage the EU and other nations to take their own actions.

- The EU at its June 17 meeting should adopt regulations to enforce the new Security Council resolution and enact further measures to press Iran to suspend its nuclear program.
- The EU should build on the Security Council's call to exercise vigilance on transactions with Iranian banks by banning all transactions with Iran's Bank Melli and Bank Saderat, closing all branches of Iranian banks operating in Europe, and banning Iranian transactions in Euros.
- All IRGC and IRISL companies, their subsidiaries and front companies, should be sanctioned by the EU for their support and involvement in Iran's nuclear and ballistic missile activities.
- To prevent sensitive goods and technologies from reaching Iran, the EU must inspect all cargoes heading to and from Iran for illicit materials.
- The EU should bar all European companies from investing in Iran's energy sector and prohibit all shipments of refined petroleum products to Iran.