

July XX, 2012

The President

The White House

Washington, DC 20500

Dear Mr. President:

As you know, Iran is continuing to reject its international nuclear commitments. In response, the United States has already taken important steps to limit the supply of refined petroleum to Iran, and now our friends and allies increasingly are moving away from purchasing Iranian crude. We believe it is urgent that you now make use of the example that the United States, the European Union, Australia, South Korea, and others have set to encourage all nations to cease such imports entirely. Now is the time to take forceful steps to further intensify pressure on the Iranian regime.

We strongly urge you to pursue this course by immediately designating the National Iranian Oil Company (NIOC) and the National Iranian Tanker Company (NITC) for their material assistance to Iran's Islamic Revolutionary Guard Corps (IRGC). Such a designation would allow you to impose significant sanctions on entities that continue to do business with NIOC and NITC, Iran's key entities for overseeing the development and shipment of oil. Such a move would further limit Iran's diminishing ability to sell its oil—the source of fifty percent of Iran's national budget—and would show Tehran that it faces a desolate future if it does not cease violating its nonproliferation obligations.

NIOC provides significant support to the Iranian Revolutionary Guard Corps (IRGC) and its affiliates. As prominent international oil firms have steadily exited the Iranian market, NIOC has turned to local IRGC firms to develop oil, gas, and refinery projects, and the revenue the IRGC derives from these projects is used to fund its illicit activities, including proliferation and terrorism. Additionally, the Iranian Oil Minister and NIOC's Board Chairman, General Rostam Qasemi, is the former CEO, or "commander," of the IRGC's engineering conglomerate and was personally sanctioned by the U.S. in 2010. NIOC also goes to great lengths to evade U.S. and international sanctions. As but one example, NIOC has mixed Iranian and non-Iranian crude in order to mask the Iranian origin of its oil intended for export.

NITC engages in the same deceptive practices that the Islamic Republic of Iran Shipping Line (IRISL), sanctioned in 2010, has used in efforts to evade the impact of sanctions. Vessels owned by NITC have been reflagged, renamed, and transferred to front companies in order to hide their true ownership. NITC tankers have also turned off transponders which are used to identify and monitor vessel locations. The failure of NITC tankers to maintain Automatic Identification Systems is a clear violation of International Maritime Organization requirements.

Mr. President, the hour is late: now is the time to designate NIOC and NITC, the next logical step in strengthening economic pressure on Tehran.

Sincerely,