

A Dangerous New Iran Deal: Key Points for Congress

Last Updated: August 19, 2022

# Fatally Flawed Deal

1) The new 2022 Iran deal would give the regime in Tehran an economic windfall worth hundreds of billions of dollars in return for fewer and shorter-lived nuclear restrictions. The world's leading state sponsor of terrorism is poised to rake in an estimated \$275 billion in the first year of the deal alone. This cash influx will balloon to more than \$1 trillion by the beginning of the next decade. After abandoning maximum pressure, the administration has not only failed to secure a "longer and stronger" agreement but is now striking a new deal that is significantly worse than the 2015 agreement. With the regime plotting to attack Americans in the homeland, why would the U.S. gift Iran a pathway to nuclear weapons and the resources needed to advance its malign ambitions?

2) This deal would position Iran with the ability to "break out" and produce fissile material for one nuclear bomb quickly without constraints. The time Iran requires for this dash to a bomb, or to execute a clandestine "sneak out," will shorten dramatically as restrictions on Iran's nuclear program expire (in 2024, for example, restrictions on advanced centrifuges <a href="begin disappearing">begin disappearing</a>). This would make Iran a <a href="threshold nuclear state">threshold nuclear state</a>, undeterred by the prospect of any country taking action to prevent the regime's development of a nuclear bomb. This outcome is the opposite of the administration's stated goals for a deal.

### **Terror Threat Grows**

- 3) The deal would gut terrorism sanctions against the Islamic Revolutionary Guard Corps (IRGC) enriching the same organization that is actively plotting to assassinate Americans on U.S. soil, including former senior government officials. The IRGC's key terror conduits and business conglomerates are poised to exploit the lifting of U.S. terrorism sanctions. The deal will reportedly enable European and other non-American persons and companies to conduct business in Iran with IRGC cutouts and shell companies. This unprecedented license for terror puts Americans at risk and makes a mockery of U.S. terrorism sanctions penalties and secondary sanctions.
- 4) Repeated concessions and maximum deference have emboldened the IRGC to act on U.S. soil. The Justice Department charged an IRGC member on August 10 for attempting to murder former national security advisor and diplomat John Bolton in the United States. The IRGC member also eyed former Secretary of State Mike Pompeo as an assassination target. The regime has a long history of plotting attacks against Americans from former government officials to journalists and activists like Masih Alinejad in the U.S. homeland. Replenishing the regime's coffers while the IRGC attempts attacks in the U.S. puts American lives in danger.



- 5) Iran and its proxies have unleashed terror plots and attacks during negotiations; this deal emboldens them to escalate their aggression. The IRGC has a long record of killing Americans abroad. Its agents are continuing to try and kill Americans inside the United States. America's allies and partners around the world are also facing constant threats from Iran. Palestinian Islamic Jihad a U.S. designated terrorist organization funded, armed, and guided by the regime in Iran launched more than 1,100 rockets toward Israel over three days in early August. If Tehran continues these actions during negotiations with impunity, imagine the increase in these activities after a financial windfall for the regime.
- 6) Relieving pressure on financiers of the regime's terror campaigns violates commitments made to Congress. Iran has been pressing to dismantle sanctions on the key economic arm of the IRGC, Khatam al-Anbiya Construction Headquarters. Lifting sanctions against entities designated for supporting terrorism, such as the Central Bank of Iran, will endanger Americans by eliminating critical constraints on Iranian banks and companies that continue to fuel Iranbacked terrorism. Secretary of State Antony Blinken committed in his nomination hearing to maintaining terrorism sanctions on Iran. Congress should not accept the lifting, waiving, or rescinding of terrorism sanctions that will violate this commitment.

## Russia's Lifeline

- 7) Vladimir Putin's regime in Russia orchestrated this deal and will exploit it to evade sanctions pressure. Putin and the regime in Iran are strategic partners, drawing even closer since Russia's further invasion of Ukraine. The new nuclear deal will serve Putin as a sanctions evasion hub benefitting Russia's nuclear industry, arms sales, and financial and banking activities. Russia and Iran collaborating on illicit financial activities "could produce the world's most sophisticated and expansive sanctions-evasion network." They are already taking steps to grow their banking ties. How can the U.S. increase pressure on Russia for its atrocities in Ukraine while, at the same time, giving Putin a trapdoor for sanctions evasion?
- 8) Russia will reap nuclear industry benefits while its forces are treating a nuclear plant in Ukraine as a military target. The nuclear deal enables Russia to carry out a \$10 billion contract to expand and service Iran's nuclear reactor at Bushehr. As with the 2015 deal, Iran will reportedly ship excess enriched uranium to Russia and Moscow will be paid to house it. How is offering money to Putin to support nuclear projects and "safeguard" material in America's national security interests?
- 9) Delegating negotiations to the Russians not only delivered a dangerous deal it also ushered in an expansion of Moscow-Tehran ties. Russia is seeking Iranian drones to sustain its brutal assault in Ukraine. Moscow recently launched an Iranian surveillance satellite. This support will deliver to Tehran targeting data on Middle East allies and potentially U.S. cities. Russian forces are conducting joint military exercises with the IRGC. These actions underscore the strategic relationship between the two U.S. adversaries. Allowing Russia to "negotiate" with Iran on America's behalf is geopolitical malpractice.



### Congress Must Lead

- 10) A flawed deal without broad congressional support has no staying power and will be reversed given the threat it poses to U.S. national security interests. Iran's nuclear program has changed since May 2019 in material ways. There is no credible basis for the claim that this new deal represents a "return to compliance" with the 2015 Joint Comprehensive Plan of Action (JCPOA). Congress should review this nuclear agreement pursuant to the Iran Nuclear Agreement Review Act of 2015 and prepare options to act against a dangerous deal.
- 11) Congress should judge any new deal on whether it *permanently* blocks all pathways to nuclear weapons and effectively addresses all the JCPOA flaws and gaps relating to inspections, nuclear weaponization, ballistic missile development, terrorism, and other malign activities. Any deal that fails this basic test should result in: an end to negotiations, a snapback of UN Security Council sanctions, expansion of economic pressure against the regime, and the development of a credible military threat.
- 12) Congress should reject outright any attempt to consider Iran's outrageous demand for commitments that a future U.S. president or Congress will not be able to withdraw from this flawed deal. This new deal is non-binding and will not tie America's hands. Anything to the contrary that tries to cede power to the genocidal regime in Iran will set a dangerous precedent. The path to an enduring agreement is an airtight deal submitted to the Senate for ratification as a formal treaty.
- 13) The orchestrators of this deal are working to avoid congressional scrutiny of the most dangerous elements of the agreement. The final negotiations are not a matter of minor "technical" issues but constitute critical details that affect U.S. national security. Reports of an attempt to retain the façade of IRGC sanctions while building loopholes to weaken restrictions against the terrorist group are one example. Congress must insist on full transparency regarding all these details, including the release of any side agreements or other understandings being considered as part of final negotiations.

### **Nuclear Deception**

14) A deal that undercuts an active International Atomic Energy Agency (IAEA) investigation into Iran's undeclared activities shields the regime's nuclear weapons-related work. The regime is seeking to <a href="shut down">shut down</a> a critical IAEA inquiry. At issue: nuclear facilities and traces of man-made uranium inspectors detected in 2019 and 2020 after Israel discovered the regime's secret nuclear weapons archive. Iran is demanding that a nuclear deal move forward without Tehran having to credibly answer the IAEA's questions. The IAEA has said Iran's responses have lacked technical credibility. This is diplo-speak for: Iran has not come clean and it must. Iran also denied inspectors access while attempting to deceive them by <a href="sanitizing">sanitizing</a> sites and <a href="https://hitagin.com/hit



15) The deal is headed toward a repeat of 2015: pressure on nuclear inspectors to stand down on credible investigations for the sake of a flawed deal that clears the regime's pathway to nuclear weapons. The U.S. and others failed to force Iran to come clean regarding possible military dimensions of its nuclear program in 2015. Since then, investigators have unearthed new evidence of the regime's nuclear deception. Iran has also obstructed IAEA inspections and verification. Brushing aside IAEA investigations once again will blow a hole through safeguards agreements and damage the integrity of the Nuclear Non-Proliferation Treaty (NPT).

### Impact in the Region and Beyond

- 16) This deal will boost Iran's ballistic missile program, which poses a growing risk to the wider Middle East, U.S. forces deployed in the region, and eventually to the U.S. homeland. The regime is expanding the range, lethality, mobility, and accuracy of its missile arsenal. This project includes leveraging space and satellite programs to develop an Iranian intercontinental ballistic missile capability that could threaten the American homeland and all of Europe. Further reducing pressure on Iran's missile program now will only encourage Tehran to increase the use of deadlier missiles in military operations threatening U.S. interests.
- 17) The U.S. must stand by its ally Israel amidst the escalating threat environment this deal will generate. Senior Iranian military officials have often said that the regime's main goal is to annihilate Israel. We should believe them. The impending agreement fails to address the full-spectrum threat posed by Iran and will increase the danger to America's most important Middle East ally, Israel. Rather than limiting war, it increases the likelihood of potential military action to combat the Iranian threat. Mindful of Iran's existential threat to Israel, U.S. Ambassador to Israel Tom Nides stated that the deal would not tie Israel's hands to act in its national security interests. Translation: Israel may need to act since the deal does not protect Israel against threats to its homeland.
- 18) The August 12 attack in New York on acclaimed writer Salman Rushdie, whose life was put at risk because of the Islamic Republic of Iran's leader calling for his murder, is a cruel reminder of the decades-long campaign of violence promoted by the regime. Rushdie's attacker openly supported the regime and its terror proxies like Hezbollah and reportedly had contact with the IRGC. Steering hundreds of billions of dollars into Iran's coffers will only reinforce to the regime and its supporters that their worldview and actions will be tolerated.
- 19) China is a key partner for the regime in Iran and will exploit the deal to advance its ambitions and create a more lethal Iranian threat to U.S. interests. Lax U.S. sanctions enforcement has already led to China accelerating oil purchases from Iran. This lifeline, which will grow under the deal, helps bankroll Tehran's ability to sustain its malign activities outside Iran and its internal repression inside Iran. As the largest licit and illicit purchaser of Iranian crude oil for over a decade, China helped keep the regime afloat and undercut sanctions. Beijing is also a potential supplier of advanced military weapons. China is seizing on diminishing U.S. interest in the Middle East and seeking to expand its foothold in the region. This deal would cement growing Chinese influence in and access to the region.



**20**) Strengthening the regime at the expense of the Iranian people will worsen already massive human rights abuses. This new deal would lift sanctions on Iranian officials violating the human rights of Iranians – breaking a commitment made to Congress. The deal will stoke further repression and corruption while setting back freedom for the Iranian people. What message does it send when Iranians protesting the regime's brutality see that Washington is enabling their oppressors?

\*\*\*

FDD Action is a non-profit, non-partisan 501(c)4 organization established to advocate for effective policies to promote U.S. national security and defend free nations.

Research and intellectual insights from the Foundation for Defense of Democracies (FDD) Iran Program contributed to this product. For more analysis related to Iran, visit the FDD website here.