Secretary Kerry's Remarks After P5+1 Talks in Geneva

24 November 2013

U.S. DEPARTMENT OF STATE Office of the Spokesperson Geneva, Switzerland November 24, 2013

REMARKS

Secretary of State John Kerry Press Availability After P5+1 Talks

SECRETARY KERRY: Well, good very early morning to all of you. It's been a long day and a long night, and I'm delighted to be here to share some thoughts with you about the recent negotiations. I particularly want to thank the Swiss Government. I want to thank the United Nations. It's been a (inaudible) and we're honored to be here, even at this very early hour of the morning. I particularly want to thank my colleagues from the United Kingdom, Germany, France, Russia, China, and especially Lady Cathy Ashton, who is not only a good friend but a persistent and dogged negotiator and somebody who's been staying at this for a long period of time. And we're very grateful for her stewardship of these negotiations.

And if I can take a moment, I really want to thank the team from the United States. There have been a great many people involved in this effort for a long period of time now, both here in Switzerland with us now, but also back in the United States, and they know who they are. But I will single out our Under Secretary of State Wendy Sherman, who has been a dogged, unbelievably patient hand and a skillful hand, and she has helped through long and arduous months – years of stewardship of our part of this within the P5+1, and I'm very grateful to her for those long efforts and all of her team.

At the United Nations General Assembly in September, President Obama asked me and our team to work with our partners in order to pursue a negotiated settlement or solution with respect to the international community's concerns about Iran's nuclear program. Last month, the P5+1 entered into a more accelerated negotiation after a number of years of meetings in various parts of the world and efforts to engage Iran in serious negotiations. The purpose of this is very simple: to require Iran to prove the peaceful nature of its nuclear program and to ensure that it cannot acquire a nuclear weapon. And the reason for this is very clear. The United Nations Security Council found that they were not in compliance with the NPT or other IAEA and other standards. And obviously, activities such as a secret, multi-centrifuge mountain hideaway, which was being used for enrichment, raised many people's questions, which is why ultimately sanctions were put in place.

Today, we are taking a serious step toward answering all of those important questions that have been raised through the United Nations Security Council, through the IAEA, and by individual countries. And we are taking those steps with an agreement that impedes the progress in a very dramatic way of Iran's principal enrichment facilities and parts of its program, and ensures they cannot advance in a

way that will threaten our friends in the region, threaten other countries, threaten the world. The fact is that if this step – first step – leads to what is our ultimate goal, which is a comprehensive agreement that will make the world safer. This first step, I want to emphasize, actually rolls back the program from where it is today, enlarges the breakout time, which would not have occurred unless this agreement existed. It will make our partners in the region safer. It will make our ally Israel safer. This has been a difficult and a prolonged process. It's been difficult for us, and it's been difficult for our allies, and it's obviously been difficult for the Government of Iran. The next phase, let me be clear, will be even more difficult, and we need to be honest about it. But it will also be even more consequential.

And while we obviously have profound differences with Iran yet to be resolved, the fact is that this agreement could not have been reached without the decision of the Iranian Government to come to the table and negotiate. And I want to say tonight that Foreign Minister Zarif worked hard, deliberated hard, and we are obviously, we believe, better that the decision was made to come here than not to, and to work hard to reach an agreement. And we thank the Foreign Minister for those efforts.

Together now, we need to set about the critical task of proving to the world what Iran has said many times – that its program is in fact peaceful. Now, with this first step, we have created the time and the space in order to be able to pursue a comprehensive agreement that would finish the work that President Obama began on the very first day in office, and that is to ensure that Iran does not obtain a nuclear weapon. President Obama worked intensively and his Administration worked intensively before I even came in; when I was in the Congress and voted for sanctions, the President worked in order to put in place a significant sanctions regime, an unprecedented regime. And he worked with countries around the world in order to ensure broad participation and support for these sanctions. That has been essential to the success of these sanctions. And we believe that it is the sanctions that have brought us to this negotiation and ultimately to the more significant negotiation to follow for a comprehensive agreement.

Make no mistakes, and I ask you, don't interpret that the sanctions were an end unto themselves. They weren't. The goal of the sanctions was always to have a negotiation. And that is precisely what is now taking place, and that negotiation's goal is to secure a strong and verifiable agreement that guarantees the peacefulness of Iran's nuclear program. For more than 40 years, the international community has been united in its willingness to negotiate in good faith. And we have been particularly crystal clear that we will do whatever is necessary in order to prevent Iran from having a nuclear weapon. We have also said that we prefer a peaceful solution, a peaceful path for Iran to respond to the international community's concerns. And as a result of those efforts, we took the first step today to move down that path.

The measures that we have committed to will remain in place for six months, and they will address the most urgent concerns about Iran's nuclear program. Since there have been many premature and even misleading reports, I want to clearly outline what this first step entails. First, it locks the most critical components of a nuclear program into place and impedes progress in those critical components in a way that actually rolls back the stockpile of enriched uranium and widens the length of time possible for breakout. That makes people safer. With daily access – we will gain daily access to key facilities. And that will enable us to determine more quickly and with greater certainty than ever before that Iran is complying. Here's how we do that: Iran has agreed to suspend all enrichment of

uranium above 5 percent. Iran has agreed to dilute or convert its entire stockpile of 20 percent enriched uranium.

So let me make clear what that means. That means that whereas Iran today has about 200 kilograms of 20 percent enriched uranium, they could readily be enriched towards a nuclear weapon. In six months, Iran will have zero – zero. Iran will not increase its stockpile of 3.5 percent lower-enriched uranium over the next six months, and it will not construct additional enrichment facilities. Iran will not manufacture centrifuges beyond those that are broken and must be replaced. Very importantly, Iran will not commission or fuel the Arak reactor – Arak, A-r-a-k, reactor – an unfinished facility, that if it became operational would provide Iran with an alternative plutonium path to a nuclear weapon.

And to ensure that these commitments are met, Iran has agreed to submit its program to unprecedented monitoring. For the international community, this first step will provide the most farreaching insight and view of Iran's nuclear program that the international community has ever had. This first step – let me be clear. This first step does not say that Iran has a right to enrichment. No matter what interpretive comments are made, it is not in this document. There is no right to enrich within the four corners of the NPT. And this document does not do that. Rather, the scope and role of Iran's enrichment, as is set forth in the language within this document, says that Iran's peaceful nuclear program is subject to a negotiation and to mutual agreement. And it can only be by mutual agreement that enrichment might or might not be able to be decided on in the course of negotiations.

So what is on the other side of the ledger here? Again, there have been a number of premature reports and reactions, so I want to be clear about what this step provides, this first step, and what it doesn't provide. In return for the significant steps that Iran will take that I just listed – and there are more, incidentally, than I just listed; those are the principal – the international community will provide Iran with relief that is limited and, perhaps most importantly, reversible. The main elements of this relief would hold Iran's oil sales steady and permit it to repatriate \$4.2 billion from those sales. And that would otherwise be destined for an overseas account restricted by our sanctions. In addition, we will suspend certain sanctions on imports of gold and precious metals, Iran's auto sector, and Iran's petrochemical exports, potentially – potentially – providing Iran with about \$1.5 billion in additional export revenues.

For the benefit of the Iranian people, we will also facilitate humanitarian transactions that are already allowed by U.S. law. No U.S. law will be changed. Nothing will have to be different. In fact, the sanctions laws specifically exempt humanitarian assistance. So this channel will not provide Iran any new source of funds, but we will help them in order to try to provide the people of Iran with additional assistance. It simply improves access to goods that were never intended to be denied to the Iranian people.

Now, I want to emphasize the core sanctions architecture that President Obama, together with allies and friends around the world, have put together, that core architecture remains firmly in place through these six months, including with respect to oil and financial services. To put this number in perspective, during this six-month phase, the oil sanctions that will remain in place will continue to cause over 25 billion in lost revenues to Iran, or over \$4 billion a month. That is compared to what Iran earned before this took effect – the sanctions. And while Iran will get access to the 4.2 billion that I talked about of the restricted oil revenues, 14 to 16 billion of its sales during this period will be locked up and out of reach. Together with our partners, we are committed to maintaining our commitment to vigorously enforcing the vast majority of the sanctions that are currently in place. Again, let me repeat: This is only the first step. But it is a first step that guarantees while you take the second step and move towards a comprehensive agreement, Iran's fundamentals of its program are not able to progress – Fordow, Natanz, Arak, and other centrifuge and other things that matter. So that is a critical first step.

And I will say to all of you that as we conclude this first round of negotiation, with the beginning of the possibility of a much broader accomplishment down the road, it is our responsibility to be as firmly committed to diplomacy and as relentless in our resolve over the years as we have been to bring the concerted pressure that brought us to this moment. For the Iranian Government, it's their responsibility to recognize that this first phase is a very simple test. Many times, Iran, I think you heard the Foreign Minister here tonight reiterate, that they have a peaceful program and that's their only intention. Folks, it is not hard to prove peaceful intent if that's what you want to do. We are anxious to try to make certain that this deal ultimately will do exactly that – prove it.

And I will just say finally, I know that there are those who will assert that this deal is imperfect. Well, they too bear a responsibility, and that is to tell people what the better alternative is. Some might say we should simply continue to increase pressure – just turn up the screws, continue to put sanctions on, and somehow that's going to push Iran towards capitulation or collapse. Not by any interpretation that we have from all the experts and all of the input that we have, and from all of the countries – the P5+1 – that took place in this today, none of them believe that would be the outcome.

Instead, we believe that while we are engaged in that effort, Iran's program would actually march forward. It would gain. And while it gains, it would become more dangerous in the region and countries like Israel and the Emirates, other people in the region who are threatened, would in fact be more threatened.

So we believe that you would wind up with an Iran with bigger stockpiles, with more advanced centrifuges and more progress at pursuing a plutonium track. And President Obama believes that doesn't benefit anybody.

In 1973 – 19 – excuse me, in 2003, when the Iranians made an offer to the former Administration with respect to their nuclear program, there were 164 centrifuges. That offer was not taken. Subsequently, sanctions came in, and today there are 19,000 centrifuges and growing. So people have a responsibility to make a judgment about this choice. And I am comfortable, as is President Obama, that we have made the right choice for how you proceed to get a complete agreement.

Moreover, making sanctions the sum total of our policy will not strengthen the international coalition that we have built in order to bring Iran to the negotiating table. Instead, it would actually weaken that coalition, and many people believe that to merely continue at a time where Iran says, "We're prepared to negotiate," would in fact break up the current sanctions regime. Others argue for military action as a first resort. Well, President Obama and I do not share a belief that war is a permanent solution, and it should never be the first option. Instead, that particular option involves enormous risks in many different ways, and as President Obama has often said, while that option remains available to us – and the President will not take it off the table – he believes that that can only be entertained after we have made every effort to resolve the dispute through diplomacy, barring some immediate emergency that requires a different response.

So I close by saying to all of you that the singular objective that brought us to Geneva remains our singular objective as we leave Geneva, and that is to ensure that Iran does not acquire a nuclear weapon. In that singular object, we are resolute. Foreign Minister Zarif emphasized that they don't intent to do this, and the Supreme Leader has indicated there is a fatwa, which forbids them to do this. We want to see the process put in place by which all of that is proven, not through words but with actions. And we are prepared to work in good faith, with mutual respect, to work in a way as we did in the last days – cordially, with an atmosphere that was respectful, even as it was tough, as we move towards the process of making certain that this threat will be eliminated. In that singular object, we are absolutely resolute, and in that mission, we are absolutely committed, and in that endeavor, we will do everything in our power to be able to succeed.

On that note, I'm happy to answer a couple of questions.

MODERATOR: The first question will be from Anne Gearan of The Washington Post.

SECRETARY KERRY: Anne, hi.

QUESTION: Mr. Secretary, you started with your – about (inaudible) who want this on Iran, and you're opposed for what it will do on a sort of a technical level. I would hope that you might just take a moment and reflect on what this agreement may mean or signify longer term or in a larger sense. And this is – you just came through several months that represent the first time that a diplomatic level from the United States and one from Iran sat together and talked about anything, much less something of this moment. What is your view and what is your hope for the next steps as far as the U.S. relationship with Iran will be?

SECRETARY KERRY: Well, I – the – obviously it is not insignificant, nor does it just fly be me, nor the President, who took great risks in committing on this and making certain that we would proceed forward with this endeavor. It's no small thing, I think, that since 1979, for about 34 years, Iran and the United States have not been able to talk to each other. And there's been enormous buildup of suspicion and an enormous buildup of animosity, and there have been moments here and there where there might have been some kind of minor assistance one way or the other. For instance, when we went into Afghanistan in 2001, there actually was some assistance back home (inaudible) from Iran. So there have been these moments.

But I think by and large, it is fair to say that Iran's choices have created a very significant barrier, and huge security concerns for our friends in the region, for Israel, for Gulf states and others, and obviously they have made certain choices that are deeply, profoundly unsettling in terms of stability in the region and the possibility of anything except our focus on (inaudible). It's too early for us to talk about other things. It's just not right. Obviously, one would hope that Iran will make choices that it will rejoin the community of nations in full. The first step is to resolve the nuclear issue, and it shouldn't be hard if you are in fact absolutely determined to make good on the promise that this is a peaceful program.

So our hope is that the (inaudible) engagement and the resolution of its differences with respect to the UN and the international community can indeed lead to what the Foreign Minister and President Rouhani have talked about, which is a new relationship with the West and with its neighbors. But nobody that I know of is going to accept the words at face value. It is going to be proven by the

choices Iran makes, by the actions that it takes. We are open. President Obama has made clear that he is prepared to put in motion the steps that can improve those attributes, to put these words to the test. And that's exactly what we're doing now with this first step. And we look forward to, hopefully in a short span of time, being able to put together a comprehensive agreement that will provide the guarantees necessary to our friends in the region.

Let me be crystal clear to Israel, to our other friends in the region, to any neighbor who feels threatened, that the next step requires proof certain of a failsafe set of steps which eliminate the current prospect of a breakout and the creation of a nuclear weapon. That will require dismantling certain things. It will require stopping certain kinds of activities. It will require some fundamental choices, and we're prepared to work with Iran in order to put in place a protocol that achieves those ends.

So I think this is potentially a significant moment, but I'm not going to stand here in some triumphal moment and suggest to you that this is an end unto itself. It is not. It is a step towards the much more significant goal and the much harder to achieve goal of having a program that is absolutely failsafe provable to be only possible to be peaceful. And that's what we have to work for now.

MODERATOR: The last question will be from Nicole Gaouette of Bloomberg News.

QUESTION: Hi, Mr. Secretary. Congratulations to you and your team. I'm wondering (inaudible) and how you answer the criticism from Israel that by easing sanctions, you have less leverage over Iran, say, than you did yesterday. They're (inaudible) reach that settlement. I also just wondered if you have a brief comment about more sanctions being in place. That's been true for a long time, and for a long time (inaudible) Congress.

SECRETARY KERRY: (Inaudible.)

QUESTION: (Inaudible) by the Congress and designed to give new sanctions. And in my email feed, there are already statements from Republican senators saying it's not good enough. The – my understanding is that this deal --

SECRETARY KERRY: Gee, you mean members of the other party (inaudible). (Laughter.)

QUESTION: (Inaudible.) My understanding is that you – the P5+1 are pledging not to increase nuclear-review sanctions for the next six months if Iran complies? How can you assure that you can get the majority in the Congress (inaudible)?

SECRETARY KERRY: Well, those are two very good questions. Let me answer both of them very directly. First of all, with respect to Israel and Prime Minister Netanyahu, Prime Minister Netanyahu is a friend of mine, a man I have great respect for and I've worked with very closely, particularly right now, on the Middle East peace process. I talk to him several times a week. I've talked to him as recently as the last days about this very issue, on several occasions. And the fact that we might disagree about a tactic does not mean there is a sliver of daylight between us with respect to our strategy. The tactic is whether or not you increase sanctions or take advantage of this moment to pull the progress and guarantee you have insight into their program while you keep the pressure on. And it's a difference of judgment. It would be nice, but there is no difference whatsoever between the

United States and Israel and what the end goal must be here. We cannot have an Iran that is going to threaten its neighbors, and that has a nuclear weapon. From the day President Obama came into office, he made it clear that a centerpiece of his policy is that Iran will not have a nuclear weapon.

Now, Iran says it doesn't want a nuclear weapon, it is going after a nuclear weapon. Therefore, it ought to be really easy to do the things that other nations do who enrich, and prove that their program is peaceful. So that's what we're looking for. We're looking for it in absolute sync with our friends in Israel. And I have said frequently, no deal is better than a bad deal. We are not going to strike, ultimately, a bad deal. And you have to be able to prove that this program is peaceful. That means you're going to have to look at putting on the grave uranium and what happens to it. You're going to have to have limitations on certain components. You're going to have to have limitations on the type of facilities. Arak, a heavy-water plutonium facilities, has no business within the framework of a peaceful program. We've been very clear about that.

So there are many things. I'm not going to go through them all right now, but it is crystal clear that Israel and the United States have the same goal, the same strategic interest, and we will stand with Israel with respect to this policy and the other allies in the region who are equally concerned about what Iran might or might not choose to do.

Now, with respect to the second part of your question, the Congress, look, I have great confidence in my colleagues in the Congress. I think they are going to look at this very carefully, and they should. And I look forward to going up on the Hill. I look forward to engaging with my former colleagues, explaining what we've done, why we can keep the – and working together with Congress in order to achieve the goal that Congress embraced when they put these sanctions in place in the first place. Congress sought to have negotiations.

Now ultimately, if somehow we wind up (inaudible) and Congress – midterm election obviously – the President obviously has a possibility of a veto. There have been. But I don't think it should come to that. We don't want it to come to that. I don't if it will come to that. I believe Congress will see the wisdom of pursuing this for the very specific purposes that I've articulated with very straight delineation of exactly how we're going to achieve our goals. And it was really a cooperative effort. And we will brief Congress readily. We will work for Congress in a very cooperative way. And I think Congress will be a very important partner in helping us put this to the test over the course of the next six months.

MODERATOR: That's it, everyone.

SECRETARY KERRY: Thank you all very much. Appreciate it.