



One Hundred Thirteenth Congress
U.S. House of Representatives
Committee on Foreign Affairs
2170 Rayburn House Office Building
Washington, DC 20515
www.foreignaffairs.house.gov

June 2, 2014

The Honorable John Kerry
Secretary of State
Department of State
2201 C Street, N.W.
Washington, D.C. 20520

Dear Mr. Secretary:

I am deeply concerned that Iran is attempting to circumvent November's interim nuclear accord through a \$20 billion barter agreement with Russia. Reports indicate that Iranian and Russian officials have discussed an illicit oil-for-goods contract that could undermine the sanctions regime and weaken American negotiating leverage. These efforts to evade sanctions undermine Iran's agreement with the P5+1 and cast serious doubt on Iranian intentions.

As you know, the "Joint Plan of Action" allows Iran to maintain its average level of oil exports to existing customers in six countries at roughly one million barrels per day. Russia is not included in this list of oil-importing countries. Thus, it is very troubling that a potential agreement with Russia could allow Iran to increase its oil exports by nearly 500,000 additional barrels per day.

Even more alarming are reports that Russia may provide Iran with arms or new nuclear facilities. Given that simple commodity exports are unlikely to total \$20 billion, some experts worry that Russia might even offer the S-300 missile defense system to fulfill the contract. It would be a serious mistake for the Administration to ignore any agreement in which Russia enables illegitimate Iranian activity through nuclear construction or the supply of advanced weaponry.

In your recent testimony before the Senate Foreign Relations Committee, you stated that an oil-for-goods deal would "raise serious concerns" and "be inconsistent with the terms" of the JPOA. On several occasions, State Department officials also acknowledged that such a deal "could potentially trigger U.S. sanctions."

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In light of these developments, I ask you to address the following questions:

1. Has Iran reached an agreement to provide oil to Russia in exchange for food, arms, nuclear facilities, or other goods and services?
2. Which specific sanctions or provisions of the JPOA would a proposed barter deal violate?
3. Russian Deputy Foreign Minister Sergey Ryabkov recently confirmed that "Russia plans to expand its trade with Iran and it rejects American threats about...more sanctions". What specific actions have the Department or our allies taken to deter a potential deal and address Russia's flagrant response to engaging in prohibited trade with Iran?
4. You testified that an oil-for-goods contract "could trigger U.S. sanctions." What specific designation and enforcement steps does the Department plan to take if Iran and Russia consummate an agreement?

If this sanctions-busting scheme moves forward, it would present a clear violation of Iran's obligations and would undermine the rationale behind the current negotiations. Consequently, any illegal barter deal between Iran and Russia must be met with a compelling response.

Thank you for your attention to this matter. I look forward to working with you to reinforce our sanctions regime and permanently eliminate the Iranian nuclear threat.

Sincerely,



EDWARD R. ROYCE
Chairman