



Congressional Update April 11, 2016

I. Iran: On April 5, the Senate Foreign Relations Committee (SFRC) held a hearing on Iran's compliance with the Joint Comprehensive Plan of Action (JCPOA). [Testimony](#) was received from Thomas A. Shannon, Under Secretary of State for Political Affairs.

Corker scheduled the hearing out of concern that the Obama Administration will allow Iran to soon get limited access to transactions involving US dollars. Many members of Congress are also concerned over Iran's ballistic missile tests that have generated bipartisan support for imposing new sanctions on Iran as a result. Corker and others are skeptical of Iran and are frustrated with the perception that previous commitments made by the Administration are not squaring with reality.

Corker said a **bipartisan Iran sanctions bill** he is developing with Senator Benjamin Cardin (D-Maryland) that, in addition to sanctions for Iran's ballistic missile tests, would likely include statutory language that forbids Iran access to US dollars when it conducts international financial transactions. Undersecretary of State Thomas Shannon did not oppose the developing legislation and told the committee he would "be happy" to work with them on crafting legislation. He also told the Committee there were no plans to **allow Iran access to the dollar in its financial transactions** despite rumors to the contrary. Chairman Bob Corker said he has also been assured by another Treasury official about such transactions.

On April 6 three bills and one resolution concerning Iran were introduced in the Senate. Senators Marco Rubio (R-Florida) and Mark Kirk (R-Illinois) introduced **S.2752, a bill to prohibit the facilitation of certain financial transaction involving the Government of Iran or Iranian persons and to impose sanctions with respect the facilitation of those transactions.**

Senator Daniel Sullivan (R-Alaska) introduced introduced **S.2757, a bill to prohibit certain transactions with Iran and to impose sanctions with respect to foreign financial institutions that facilitate such transactions.**

Senator Mike Rounds (R-South Dakota), introduced **S.2756, a bill to impose sanctions with respect to Iranian persons responsible for knowingly engaging in significant activities undermining cybersecurity.** All three bills have been referred to the Senate Banking Committee, although it is not clear at this time which bill the Committee will approve.

Senator Jim Lankford (R-Oklahoma) introduced **SRes414, a resolution expressing the sense of the Senate on the actions, including the reapplication of waived nuclear-related sanctions, which the United States should undertake in the event of an Iranian violation of the Joint Comprehensive Plan of Action.** The resolution has been referred to the SFRC. Lankford's press release is [here](#).



In the House, Financial Services Chairman Jeb Hensarling (R-Texas) sent a [letter](#) to Treasury Secretary Jacob Lew expressing his concerns over reports that the Obama Administration is working to provide Iran with access to the US financial system or give Iran access to US dollars outside the US financial system.

II. Saudi Arabia

The Project on Democracy in the Middle East (POMED) held a Capitol Hill briefing on Saudi Arabia's regional role and the future of US-Saudi relations with former Ambassador to Yemen Stephen Seche, Executive Vice President, Arab States Gulf Institute in Washington; Andrea Prasow, Deputy Washington Director, Human Rights Watch, and Stephen McInerney, Executive Director, POMED. Amy Hawthorne of POMED moderated the discussion.

The President has been an occasional critic of the Saudi monarchy and his recent interview with Jeffrey Goldberg of the Atlantic where he publicly criticized the Kingdom has helped in spreading the perception whether a government that helps to spread a harsh and rigid interpretation of Islam should be counted as a true ally of the United States. The Saudis, meanwhile, have quietly expressed unease that Obama has been too accommodating of Iran.

Prasow offered strong criticism of the Kingdom's human rights abuses, particularly the application of the death penalty and the January mass execution of 47 terrorists including Shia religious leader Nimr al-Nimr. In her view, the harsh repression of human rights particularly impacts the youth who do not trust the government, are disaffected and therefore vulnerable to extremism. In particular she noted the three juveniles, Ali al-Nimr, Dawood al-Marhoon and Abdullah al-Zaher, sentenced to death by the Specialized Criminal Court (SCC) for participating in pro-democracy protests in Saudi Arabia while they were children, aged 17, 17 and 15. She conceded there were some hopeful signs, namely the Associations law, a new law to regulate civil society organizations.

Note: Representative Keith Ellison (D-Minnesota) is seeking signatures on a letter to Secretary of State John Kerry asking him to directly intervene to ensure the protection of the three juveniles sentenced to death for protesting in Saudi Arabia.

Ambassador Seche expressed his opinion that the US-Saudi demise has been greatly exaggerated, arguing that the relationship remains resilient. He acknowledged there are challenges for the bilateral relationship. The concept of oil for security has changed fundamentally now that the US produces much of its own oil and the Kingdom is no longer the major supplier. However, the US will remain interested in the free and unimpeded flow of oil which goes to many US allies. The Saudis must understand the US will not become embroiled in Mideast conflicts, e.g., Yemen and Syria. The US should understand the Kingdom's skepticism over the Iran nuclear deal which has failed to halt Iranian interference in the region. The Saudis view the US as "hapless" and an unreliable ally. Despite the "dueling doctrines" between President Obama and King Salman, the US-Saudi relationship will remain strong. The US will continue to do business in Saudi Arabia, military and intelligence sharing



relationship is strong and there are over 100,000 Saudi students studying in the US. The US should support Saudi efforts to diversify its economy and genuine reform which will lead to long term stability. The US and Saudi Arabia are experiencing “growing pains” which are welcome for a better relationship.

McInerney also was extremely critical of the “most repressive authoritarian monarchy” in the world. He was particularly concerned over the growing trend in arms sales to the Kingdom. In 2007 the US provided the Kingdom a \$20 billion arms sale; now the most recent sale totaled \$112 billion. However, he agreed with Ambassador Seche that the US should support and monitor the Kingdom’s efforts at “genuine” political reform. Saudi Arabia’s economic reforms should be embraced by the US.

III. Congressional Delegations to the Region: Over the Senate recess several members of Congress traveled to Israel, Jordan and Saudi Arabia. The visits to Saudi Arabia preceded President Obama’s upcoming visit to the Kingdom for to meet with Arab leaders at the GCC Summit. Members were interested gaging the Saudi reaction to President Obama’s interview in *The Atlantic* where he criticized the Saudi monarchy. All three delegation believed it important to ease the strains in the US-Saudi relationship and emphasized the importance of the long-standing US-Saudi security relationship.

(1) Senator Ben Cardin (D-Maryland) led a bipartisan delegation to Qatar, Saudi Arabia, and Israel. Members of the delegation were: Senators Cory Gardner (R-Colorado); Edward Markey (D-Massachusetts) and Jeff Merkley (D-Oregon). Cardin’s press release on the visit is [here](#).

In Qatar and Saudi Arabia the delegation met with national security leaders, including the Emir of Qatar, Sheikh Tamim bin Hamad Al Thani and the King of Saudi Arabia, Salman bin Abdulaziz Al Saud. Senators discussed the importance of the US security relationship with the Arab Gulf countries, including efforts to counter ISIL and deter Iran from destabilizing the region, particularly in light of Iran’s recent ballistic missile tests.

In Israel the delegation met with Israeli Prime Minister Benjamin Netanyahu and Palestinian chief negotiator Saeb Erekat. Senators expressed their support for Israel’s security and a two-state solution to the Israeli-Palestinian conflict. Senators visited an Iron Dome anti-rocket battery, to which the US has provided \$3 billion over the past eight years, and a USAID-supported Hand-in-Hand school in Jerusalem that educates Israeli and Palestinian children.

(2) House Speaker Paul Ryan (R-Wisconsin) led a delegation to Israel, Jordan and Saudi Arabia. During his visit to Israel Ryan gave an exclusive [interview](#) to the Times of Israel. Ryan was accompanied by Democratic and Republican members. This is the first visit by Ryan to a foreign nation since he became Speaker of the House last October. Accompanying Ryan were Representatives Mac Thornberry (R-Texas), Chairman of the House Armed Services Committee; Devin Nunes (R-Georgia), Chairman of the House Permanent Select Committee on Intelligence; Gregory Meeks (D-New York), Ranking Member of the House



Foreign Affairs Committee's (HFAC) Subcommittee on Europe, Eurasia, and Emerging Threats.

The delegation met with senior Israeli officials to discuss bilateral relations as well as security issues affecting the region and world. Ryan also met with Israeli Prime Minister Netanyahu, but the Israeli press played down the meeting, as Netanyahu did not want to be seen as interfering in US policy. There are rumors that Ryan could be put forth as the Republican presidential candidate at the Republican convention in August, but Ryan is adamant that he has no intention of running for President.

In the statement on his [website](#), Ryan said that "I'm proud that my first trip as speaker is a return to Israel. At this critical moment, it is essential that we reaffirm the historic alliance between our two nations and work together to address the mutual security threats that we face."

The Ryan Delegation also traveled to Jordan, Saudi Arabia and Egypt. In [Jordan](#) the delegation met with King Abdullah, Prime Minister Abdullah Nsour and Minister of Foreign Affairs Nasser Judeh. Discussions centered on the Syrian civil war, the roles of Russia and Iran in that conflict, the refugee crisis and the humanitarian and economic toll it is taking on Jordan and the need to bring greater stability and security to the Middle East.

In [Saudi Arabia](#) the delegation the Ryan delegation met with King Salman who shared his perspective on the regional challenges facing the US and Saudi Arabia, particularly the radical extremists in Syria. The delegation also met with Crown Prince Mohammad Bin Nayif and Deputy Crown Prince Mohammad Bin Salman. In each of the meetings the discussions focused on the longstanding strategic bilateral relationship and the security issues of mutual interest.

In [Egypt](#), the delegation met with Egyptian President Abdel Fattah al-Sisi and other Egyptian officials. As with the other countries visited, discussion focused on the terrorist threats, particularly the threat to Egypt from terrorism in Libya and the Sinai Peninsula. The delegation also stressed the importance of the role civil society can play in developing stable democracies. In a meeting with Egyptian members of Parliament, Ryan said the US wants to see a successful, secure and stable Egypt that values democracy and freedom.

(3) Senator Lindsey Graham (R-South Carolina) led a delegation to Israel and Saudi Arabia over the Senate recess. Members included Senators Thom Tillis (R-North Carolina), David Perdue (R-Georgia), Representatives David Jolly (R-Florida) and Adam Kinzinger (R-Illinois) and Tom Rice (R-South Carolina).

The delegation met with King Salman, and other Saudi government officials including Saudi Foreign Minister Adel Al-Jubeir, Minister of State and Cabinet Member Dr. Musaed Bin Mohammed Al-Aiban, and Minister of Culture and Information Dr. Adel Bin Zaid Torafi. Discussions focused on the US-Saudi strategic relationship and security issues of mutual concern.



IV. Egypt

The Carnegie Endowment for International Peace (CEIP) Working Group that includes Michele Dunne and Robert Kagan of CEIP sent a [letter](#) to President Obama asking that he both publicly and privately express his objections to the accelerating crackdown on human rights and civil society in Egypt.