

## U.S. DEPARTMENT OF THE TREASURY

## Press Center



## Under Secretary Levey for Terrorism and Financial Intelligence Stuart Levey Remarks on Designations Targeting Iran's Nuclear and Missile Programs As Prepared for Delivery

6/16/2010

TG-746

As Secretary Geithner said, we are taking a series of steps today to impose additional consequences on Iran for its continuing failure to meet its international obligations.

First, we are sanctioning an additional Iranian bank, Post Bank. At one time, Post Bank's business was conducted almost entirely within Iran. But when some of Iran's largest banks were exposed for financing proliferation, Iran began to use Post Bank to facilitate international trade. In fact, Post Bank stepped into the shoes of Bank Sepah, which is under UN sanctions, to carry out Bank Sepah's transactions and hide its identity. International banks that would never deal with Bank Sepah have been handling these transactions that they think are really for Post Bank.

Second, we are taking action against Iran's national maritime carrier, IRISL. Since we sanctioned IRISL in 2008, it has desperately attempted to evade those sanctions, setting up new front companies, renaming and even repainting vessels to hide their true ownership. Despite its deceptive maneuvers, IRISL has had to struggle to obtain insurance and other services.

Third, we are taking further action against the IRGC, or Islamic Revolutionary Guards Corps. The IRGC plays a key role in Iran's missile program and support for terrorism and it has taken over broad portions of the Iranian economy, to the detriment of the Iranian people. With today's designations, we have now sanctioned 26 entities and individuals connected to the IRGC, and we will continue to do so. No IRGC entity should have any place in the world's legitimate financial system.

Fourth, we are sanctioning two individuals and two entities for proliferation, including a key broker used by Iran to procure a variety of nuclear-related equipment.

Finally, we are identifying 22 petroleum, energy, and insurance companies owned or controlled by the Government of Iran, including 17 located outside Iran and many that are not easily identifiable as Iranian. Americans have long been forbidden to do business with Iranian entities. Companies around the world are increasingly deciding not to do business with the government of Iran because of its illicit conduct and because, as President Obama said last week, it is a government "that brutally suppressed dissent and murdered the innocent." The UN has also highlighted proliferation concerns surrounding Iran's energy sector, and all companies must be conscious of the implications of any trade they conduct with Iran's energy companies.

We know that officials in Iran have been anxious about this new round of sanctions. If the Iranian Government holds true to form, it will scramble to identify "work-arounds" – hiding behind front companies, doctoring wire transfers, falsifying shipping documents. We will continue to expose this deception thereby reinforcing the very reasons why the private sector is increasingly shunning Iran.

We will also work to ensure international sanctions are enforced. In this regard, the State Department has dedicated a senior official, Bob Einhorn, to ensure that we accomplish this in cooperation with our friends and partners around the world. We are fortunate to have someone of Bob's stature and experience working on this issue.

The overall result of these efforts is that Iran's choice will become increasingly clear – to choose the path offered by President Obama and the international community or to remain on a course that leads to further isolation.

###

