

MEMMO

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Iran's Dangerous Enrichment Escalation

Iran's decision to begin enriching uranium closer to weapons-grade at an underground bunker is a dangerous escalation by Tehran. This advancement comes just months after the International Atomic Energy Agency's (IAEA) unprecedented report detailing for the first time that Iran had engaged in activities related to the production of nuclear weapons. Although sanctions against Iran have begun to take effect, the United States and its allies must fully implement the complete menu of sanctions at their disposal to prevent Iran from acquiring a nuclear weapons breakout capability.

Iran is producing higher-level enriched uranium at an underground bunker, bringing its leaders closer to a nuclear breakout capability.

- Iran is now enriching uranium to the 20-percent level at a previously undisclosed bunker on an Islamic Revolutionary Guard Corps (IRGC) base at Qom, according to inspectors from the IAEA. Enrichment to this level marks 80 percent of the work needed to produce fissile material for the core of a weapon.
- Using its current centrifuges, Iran could have by the end of this year a sufficient stockpile of higher-enriched uranium to produce enough weapons-grade material for a bomb, according to Olli Heinonen, the former deputy director of the IAEA. This time frame could be significantly reduced if Iran installs advanced centrifuges currently being tested.
- The facility at Qom is believed to be buried deep inside a mountain on a former missile base controlled by the IRGC, making it virtually impregnable to outside interference.
- There is no peaceful use for Iran's rapidly expanding enrichment capacity. The regime's current stockpile of uranium enriched to 20 percent is more than enough to fuel the Tehran Research Reactor and produce medical isotopes for the next decade – Iran's original justification for boosting the quality of its nuclear output.



The IAEA has reported rapid new advances in Iran's nuclear program.

Iran's new enrichment follows a report from the IAEA detailing the advanced military dimensions of Tehran's illicit nuclear program.

- The IAEA's latest report publicly confirmed that Iran has engaged in activity related to the development of nuclear weapons, saying the agency has "credible" information indicating "that Iran has carried out activities relevant to the development of a nuclear explosive device."
- The report says that Iran has carried out the following activities that are relevant to the development of a nuclear weapon:

- Procurement of nuclear-related and dual-use equipment and materials by military-related individuals and entities.
- Development of undisclosed facilities to produce nuclear material for a weapon's core.
- Acquisition of nuclear weapons development information and documentation from a clandestine nuclear supply network.
- Work on the development of an indigenous design of a nuclear weapon.
- The report indicates that Iran manufactured simulated nuclear explosive components to test the theoretical design of an implosion device. Iran constructed a large explosives containment vessel to carry out experiments for simulating the first stages of a nuclear explosion. Such a step is critical for establishing the reliability of an atomic bomb.
- The IAEA also reported information that Iran may have done experiments useful in the actual testing of a live nuclear explosive device.
- Iran is also alleged to have carried out studies to integrate a nuclear bomb on a Shahab 3 ballistic missile. Additional work was conducted to allow for the detonation of a nuclear device in the air above a target, an option the IAEA concluded was only applicable to a nuclear weapon.

The United States has toughened sanctions against Tehran, leaving a dramatic impact on the country's economy.

- At the end of 2011, Congress enacted new sanctions targeting the Central Bank of Iran (CBI) and any foreign financial firm that continues to conduct significant transactions with the bank. Since Iran uses the CBI to receive payment for oil exports – the foundation of its economy – the sanctions have the potential to cause severe economic disruption.
- The mere passage of the legislation has led to a run on the Iranian currency, which has fallen 50 percent in value over the past month and is now trading at record lows against the dollar.
- The devaluation of the Rial has been coupled with rising inflation and reduced buying power for the average Iranian. The value of cash payments families receive as compensation for last year's subsidy reforms has been slashed in dollar terms from about \$45 a month to less than \$27.
- The new sanctions are also causing purchasers of Iranian oil to look for alternative suppliers, as they will no longer be able to use the CBI to make payments for their oil imports. The EU is soon expected to approve a phased embargo on the import of Iranian oil and Japan, South Korea, and China are all in the process of reducing their imports.

The United States and international community must continue to act with the full force of sanctions to stop Iran from acquiring a nuclear weapon.

- Time is running out to prevent Iran from obtaining sufficient quantities of higher enriched uranium to facilitate a quick breakout to produce a nuclear weapon. As the new IAEA report shows, Iran has been working relentlessly to acquire the capability to produce such a weapon once it acquires the necessary weapons-grade uranium.
- The United States must act quickly – and with the full force of its remaining economic tools – to prevent such a scenario. Defense Secretary Leon Panetta said recently on CBS's "Face the Nation" that Iran's development of a nuclear weapon is a "red line" for the U.S., warning that "if [its leaders] take that step, that they're going to get stopped."
- As the new sanctions on the CBI take effect, the president must strictly enforce the measure and sanction any foreign financial institution conducting significant transactions with the CBI. The United States must also continue to press buyers of Iranian oil to look elsewhere for supplies.