

RELEASE IN FULL

From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Thursday, June 28, 2012 2:00 PM
To: H

STATEMENT BY SECRETARY CLINTON

Regarding Significant Reductions of Iranian Crude Oil Purchases

Today I have made the determination that two additional countries, China and Singapore, have significantly reduced their volume of crude oil purchases from Iran. As a result, I will report to the Congress that sanctions pursuant to Section 1245(d)(1) of the National Defense Authorization Act (NDAA) for Fiscal Year 2012 will not apply to their financial institutions for a potentially renewable period of 180 days.

A total of 20 world economies have now qualified for such an exception. Their cumulative actions are a clear demonstration to Iran's government that Iran's continued violation of its international nuclear obligations carries an enormous economic cost. According to the International Energy Agency (IEA), Iran's crude oil exports in 2011 were approximately 2.5 million barrels per day, and have dropped to roughly 1.5 million barrels per day, which in real terms means almost \$8 billion in lost revenues every quarter. When the European Union oil embargo goes into effect July 1, Iran's leaders will understand even more fully the urgency of the choice they face and the unity of the international community.

Today marks an important milestone in the implementation of the NDAA and U.S. sanctions toward Iran. Following the President's determinations on March 30 and June 11 on the availability of non-Iranian supplies of oil, as of today, any foreign financial institution based in a country that has not received an NDAA exception is subject to U.S. sanctions if it knowingly conducts a significant transaction with the Central Bank of Iran for the sale or purchase of petroleum or petroleum products to or from Iran.

We have been clear all along that there is a path for Iran to fully re-join the global economy. Iran's leaders have the opportunity to address international concerns by engaging seriously and substantively in negotiations with the P5+1. I urge Iran to demonstrate its willingness to take concrete steps toward resolving the nuclear issue during the expert-level talks scheduled in Istanbul on July 3. Failure to do so will result in continuing pressure and isolation from the international community.

###