

# U.S. NONPROLIFERATION POLICY AND THE FISCAL YEAR BUDGET

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## HEARING BEFORE THE SUBCOMMITTEE ON ASIA, THE PACIFIC AND NONPROLIFERATION OF THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES ONE HUNDRED SIXTEENTH CONGRESS

FIRST SESSION

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September 26, 2019

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## **U.S. NONPROLIFERATION POLICY AND THE FISCAL YEAR BUDGET**

**Thursday, September 26, 2019**

**House of Representatives**

**Subcommittee on Asia, the Pacific and**

**Nonproliferation**

**Committee on Foreign Affairs**

*Washington, DC*

The subcommittee met, pursuant to notice, at 2 p.m., in room 2172 Rayburn House Office Building, Hon. Brad Sherman (chairman of the subcommittee) presiding.

Mr. SHERMAN. The subcommittee will come to order. Without objection, all members will have 5 days to submit statements, questions, and extraneous materials for the record subject to the length, limitation, and the rules.

It is a pleasure to welcome Assistant Secretary Christopher Ford to our subcommittee today with Under Secretary of State for Arms Control and International Security Affairs Andrea Thompson recently stepping down, Assistant Secretary Ford is the most senior confirmed official in the nonproliferation area.

As we look forward out across the nonproliferation landscape, there is some reason for optimism or at least a chance to reflect that things are not as bad as they might have been. Next year marks the 50th anniversary of the Nuclear Non-Proliferation Treaty, the NPT, going into effect. In 1963, John F. Kennedy admitted to being haunted by the feeling that there would be 20 nuclear armed countries by 1975. One could only comment that if there had been 20 nuclear armed countries by 1975, there would be double or triple that number today and we as a species would have been through several nuclear wars. In a way, the NPT can be viewed as the most important accomplishment since World War II.

It is now, of course, 2019 and there are nine countries with nuclear weapons. In the post cold war era most countries have—more countries have gotten rid of nuclear weapons and have acquired them that is chiefly due to the break up of the Soviet Union, but also includes the decision by South Africa to give up nuclear weapons. So things are much better than they appeared to be or they appeared they would be in 1963. But past successes do not guarantee future results and just because we have not had nuclear weapons used in anger since 1945 does not mean that that would not happen in the future.

There are number of pressing nonproliferation challenges today. North Korea is the latest country to acquire nuclear weapons, first testing a bomb in 2006. In recent years, North Korea has accelerated its nuclear weapons and missile programs including testing

within the intercontinental range of ballistic missiles, ICBMs, in 2017. Donald Trump and Kim Jong-un have been through a variety of different emotional states in their relationship, but whether it is a bromance or little rocket man, the centrifuges in Yeonpyeong continue to turn and North Korea continues to get each day more fissile material. Perhaps another—well, we will ask our witness, six, eight bombs worth a year.

Of course, we are aware of the Singapore Summit in June 2018 and the following one in Hanoi. There has not been concrete results and although North Korea has vaguely promised to work toward denuclearization, it is not clear what Kim Jong-un's definition of that word is or what his timeframe is. Keep in mind that the entire world is committed to the end of all nuclear weapons and perhaps Kim Jong-un will give up his nuclear weapons just as soon as the United States and Russia do so.

Iran's nuclear program is a major concern for the United States. The issue is not about the JCPOA, it is can we develop a better deal since we have pulled out of this one. A better deal has to be evaluated, not just in the sense of does it get it through 4 years or 8 years with Iran having a nuclear weapon, but can we achieve that as far as the eye can see, hopefully, permanently. The chief advantage we got by pulling out of the JCPOA is that it allowed us to impose sanctions on Iran, but sitting just where Assistant Secretary Ford is sitting, John Kerry assured this committee, the full committee, that if we went into the JCPOA and to his way of thinking stayed in it, we could still sanction Iran proportional to their non-nuclear wrongdoing. Since their non-nuclear wrongdoing is enormous, under John Kerry's view, we could have kept them in the JCPOA and imposed as many sanctions as the members of this committee could have come up with.

So we look forward to hearing what we can do to work toward a permanently non-nuclear Iran. Nothing drives this point home more than the recent decision to designate the Iran Central Bank because it supports terrorism, not for nonproliferation reasons, proof that we could have stayed in the JCPOA with all its imperfections and still impose the same sanctions.

I have taken considerably longer to deliver this opening statement than I anticipated, and so I look forward to discussing, of course, Saudi Arabia's nuclear program which gets far less attention than it should, but let me say a nation that cannot be trusted with a bone saw should not be trusted with nuclear weapons.

And we will look at the fact that Japan is seeking to move down the reprocessing road in a way that poses significant risks to the nonproliferation regime. With that, I will turn it over to our ranking member for his opening remarks.

Mr. YOHO. Thank you, Mr. Chairman. Thank you Assistant Secretary Ford for being here and I, too, remember John Kerry sitting there and saying that no deal is better than a bad deal and that was a bad deal. Thanks for holding this hearing.

In addition to focusing on affairs in the Asia-Pacific theater, this subcommittee has the task of oversight for nonproliferation. And I commend the chairman for bringing this up because this is something we really need to discuss, to do an assessment and see what

is going on in the world that we know about that we can about in a hearing like this. I would like again welcome you for being here.

Since the cold war, the United States has stood as a leader in deterring and responding to nuclear threats around the world through cooperation with four other recognized nuclear powers, Russia, the U.K., France, and China. Along with non-nuclear weapon States, we have been able to work toward global nuclear disarmament and prevent bad actors from getting their hands on these deadly weapons.

When I see our four other recognized weapon States, Russia and China, it worries me about the reporting and truthfulness. The United States and our partners in nonproliferation have come a long way since the uncertain days of the cold war. However, the world still faces threats from several bad actors. As we know, the clandestine operations of Iran, what is going on in North Korea. Who knows what is going on in Syria. Who knows what is going on in Cuba. And I think this is so important that we kind of focus on what is going on.

An example of recent progress in nonproliferation is North Korea. The Trump Administration has made significant progress with leader Kim Jong-un in efforts to denuclearize the Korean Peninsula. And this is something that has been criticized for him stepping up, having relationships with a person like Kim Jong-un. But what we know is you cannot move forward if you do not have relationships, especially in that region of the world. And we have done the diplomatic trial for 25 years and it did not work under President Bush, President—or Clinton, Bush, and President Obama. And so I welcome a new strategy.

While there has not been a formal commitment from North Korea, the U.S. has been able to engage with the historically closed-off regime through unprecedented high-level talks. This effort will take time, but it is essential for continued security and prosperity of the Indo-Pacific.

I would also like to commend President Trump for his decision to no longer participate in the JCPOA. Time and again, Iran proved they had no intention to fully upholding their end of the deal. And we saw for 30 years it was a cat and mouse game and every time they got caught, they denied it until we showed otherwise. If we do not continually hold our adversaries like North Korea and Iran accountable for their blatant disregard for the international rules and norms, these bad actors will continue to advance their nuclear capabilities which could eventually bring us to a point of no return. And I think that is something we are all trying to prevent.

With that, I am just going to end my statement and look forward to hearing from you and I yield back.

Mr. SHERMAN. Thank you. Does any other member seek time to make an opening statement? Seeing none, we will hear from our witness.

**STATEMENT OF CHRISTOPHER FORD, ASSISTANT SECRETARY  
OF STATE FOR INTERNATIONAL SECURITY AND NON-  
PROLIFERATION, U.S. DEPARTMENT OF STATE**

Mr. FORD. Good afternoon and thank you, Chairman Sherman, Ranking Minority Member Yoho, and Representatives. Thank you for the chance to appear before you today to talk a little bit about our vision and our priorities at the Bureau of International Security and Nonproliferation.

In the interest of being as helpful as I can in answering your questions, I will truncate rather dramatically my long opening statement, but I would respectfully request that the full text of the prepared remarks be entered.

Mr. SHERMAN. Without objection, so ordered.

Mr. FORD. Thank you, sir. For long time observers of U.S. non-proliferation policy, Mr. Chairman, much of what we are doing today should not be too surprising. We are very fortunate that non-proliferation has tended to enjoy strong bipartisan support in Washington and here in Congress as many of our key priorities and our key objectives have remained fundamentally unchanged for many years.

But there is also much in what we are doing in today's ISN that is, I would submit, new and innovative, so I would like to talk a little bit about both.

In the past, ISN has generally conceived its mission as being principally about preventing the flow of sensitive technology and materials to rogue States or to terrorists and about supporting non-proliferation-related multilateral regimes. All of this, Mr. Chairman, we still do and I daresay we do it pretty well. I have many capable predecessors, as well as a longstanding tradition of strong support here on Capitol Hill to thank for having such a capable team at ISN, with such a strong record of accomplishment for us to build upon. So thank you for all that, Mr. Chairman.

And let me offer here, if I might, while we are on whatever we are on, the opportunity to offer our public thanks to my fantastic folks back at ISN who may happen to be listening to this. So thanks for that.

We do all this work very hard to build, maintain, preserve, and to strengthen various treaties, multilateral regimes, and international institutions, upon which the global nonproliferation regimes depends. Among the things that we do, we negotiate civil-nuclear cooperation agreements, as well as consequence management agreements and plans with foreign governments and U.S. embassies around the world to forestall against and improve preparedness for CBRN incidents.

We lead the U.S. Government's work on nuclear safeguards, safety, security, and peaceful uses of nuclear technology vis-a-vis the IAEA. And we manage capacity-building programming around the world that helps other countries come up to nonproliferation, safety, security, and export control best practices.

We screen both export licenses and visa applications for proliferation dangers. We conduct proliferation impact assessments of proposed agreements or transactions, and we use State Department sanctions authorities to penalize those who engage in proliferation and to help deter future mischief.

All this work, Mr. Chairman, is devoted to making sure that it is as difficult, as costly, as expensive, and as painful as possible for rogue regimes and terrorists to acquire weapons of mass destruction, delivery systems, or advanced conventional weapons. This is our “traditional nonproliferation” mission, and it is exceedingly important work. But I would like to emphasize, sir, that this is not all that we now do.

For one thing, we are also working very hard in new ways to ensure that all of this is done as efficiently and effectively as possible. As one example, we are undertaking a broad reform of our programming work to ensure that ISN is as responsible and effective as possible as a steward of the funds that Congress and the U.S. taxpayer have entrusted us to manage.

We are, for instance, building new evaluative mechanisms into our programming to ensure that we target spending as directly as possible against concrete security threats and the highest priority challenges facing us. We are building better ways to reevaluate programming decisions on an ongoing basis so as to maximize their responsiveness to changing circumstances. And we are working to ensure that we “graduate” recipients of our assistance as their capacities improve so at the end of the day we can always be devoting our resources to the most pressing security needs. To this end, we have also been migrating our programming funds from more rigid and country-specific accounts into more flexible regional or global ones that will permit us to more easily maintain appropriately threat-prioritized allocations on an ongoing basis as the security environment changes.

We are very grateful for the support that we have received from the State Department and from Congress in these reforms of our programming work. We are also grateful, of course, for continued funding for our nonproliferation programming which helps us address various threats on our mission to prevent the spread of WMD delivery systems and advanced conventional weapons capabilities, as well as, where possible, to roll back such threat programs where they have already taken root.

Internally, we are also working to improve coordination between our “policy” office and our “programming” offices in order to maximize the effectiveness of the ISN team as a collaborative team all together. In line with these reforms in the past two Presidents’ budgets, the Department has requested that Congress grant full or what is called full notwithstanding authority for three ISN programs to help us identify and help prevent the proliferation activities anywhere and any time that they may occur and I hope that you all will look favorably upon this request.

But, and here is my second point, sir, these days we do even more than, Mr. Chairman. ISN now also uses our nonproliferation-derived tools and expertise to support U.S. national security and geopolitical strategy more broadly, particularly in support of our Nation’s competitive strategy, vis-a-vis State’s challenges. We now work with new focus and vigor, for instance, to impede technology and resource flows to China and to Russia as part of a broad U.S. competitive strategy.

We implement sanctions against those who engage in significant transactions with the Russian defense or intelligence sectors, as

well as leveraging the threat of such sanctions to prevent such transactions, cutting off revenue flows to the Kremlin and countering the malign and manipulative strategic relationships that Moscow seeks to build with its foreign armed clients.

We also work to counter the momentum of China's predatory, State-funded nuclear, civil nuclear industry. And we negotiate Nuclear Cooperation Memoranda of Understanding which is a new mechanism that we have built at ISN to help U.S. stakeholders develop and strengthen their own relationships with actual or potential nuclear technology partners overseas.

And not least, we also help implement pressure campaigns against both Iran and the DPRK to change their own strategic calculus when it comes to proliferation even while we are planning and preparing to be able to implement negotiated elimination of threat programs through the very talks and negotiations that this pressure is designed to incentivize. All of our ISN offices are exploring how they can contribute better to these goals and missions as well and we are reorienting parts of the Bureau to facilitate this.

We have not, Mr. Chairman, I would emphasize, abandoned our traditional priorities and indeed they in many ways can provide a foundation for our new and emerging roles as well. We work at these long-standing missions faithfully, diligently, and we work at them effectively, but we are also mindful that State-on-State challenges never went away during the last quarter century as much as one might have wished that they had. And it is now for that reason part of mission today also to help respond to those challenges.

We are very grateful, Mr. Chairman, the support that we have received from Congress over the years and today and we look forward to continuing to work with you and your colleagues on these great collective challenges in the months and the years ahead. And I very much look forward to your questions.

[The prepared statement of Mr. Ford follows:]

**The State Department's ISN Bureau:  
Enduring Priorities and New Missions**

Testimony by

The Hon. Christopher A. Ford  
Assistant Secretary of State for International Security and Nonproliferation

House Foreign Affairs Committee  
Subcommittee on Asia, the Pacific, and Nonproliferation

Budget Hearing of 26<sup>th</sup> September 2019

Good afternoon, Chairman Sherman, Ranking Minority Member Yoho, and Representatives. Thank you for giving me the chance to appear before you today to outline our vision and priorities at the State Department's Bureau of International Security and Nonproliferation (ISN).

As reflected on our [website](#), ISN's primary mission is to prevent the spread of weapons of mass destruction, delivery systems, and destabilizing advanced conventional weapons capabilities, as well as to help roll back such proliferation where it has already taken root. This is a critical U.S. national security objective – one emphasized in both the [2017 National Security Strategy](#) and the [2018 National Defense Strategy](#) – and we in the ISN Bureau are proud of our contributions to this mission.

Precisely how we live out our roles and responsibilities in support of U.S. national security and foreign policy priorities, however, is (and must always be) a work in progress, tailored on an ongoing basis to the nature and severity of the threats facing our nation in light of the policy priorities of the administration. I am pleased to take this opportunity to set forth how we are presently working to leverage the Bureau's talented personnel, diverse skills, resources, and experience to protect and advance U.S. interests in today's very challenging security environment.

I hope that insight into our vision for this work will be of use to you as you evaluate our bureau and its resourcing. To be as helpful as I can about answering your questions, I will truncate my initial remarks in the interest of brevity – but I respectfully request that the full version of my prepared comments be entered into the record.

For longtime observers of U.S. nonproliferation policy, much of what we are doing is unsurprising. Fortunately, nonproliferation has tended to enjoy strong bipartisan support in Washington, and many of our key priorities and objectives have remained fundamentally

unchanged for many years. There is also much in the approach being taken by *today's* ISN, however, that is quite new and innovative. I am pleased to have the chance to highlight to you both what remains important and what is new.

#### I. *Our Enduring Agenda*

In the past, ISN generally conceived its mission as being principally about “nonproliferation” in a narrow sense – that is, about preventing the flow of sensitive technology and materials to rogue regimes or terrorists and supporting nonproliferation-related multilateral regimes. All this we still do, Mr. Chairman, and I daresay we do it well. I have my capable predecessors, as well as a longstanding tradition of strong support in the U.S. Congress, to thank for having such a capable team at ISN, and such a strong record of accomplishment for us to build upon in these regards.

- We work, for instance, to help build, maintain, preserve, and strengthen the various treaties, multilateral regimes, and international institutions upon which the global nonproliferation regime depends.
- We negotiate civil-nuclear cooperation agreements, working to ensure that they include the strongest possible nonproliferation provisions.
- We also negotiate consequence management plans with foreign governments and U.S. embassies around the world to improve preparedness for chemical, biological, radiological, or nuclear incidents.
- We are the U.S. government’s diplomatic lead on issues related to nuclear safeguards, safety, security, and peaceful uses of nuclear technology vis-à-vis the International Atomic Energy Agency, and in bilateral and other multilateral relationships – including on the most sensitive of safeguards issues (such as in Iran).
- We manage approximately \$170 million in capacity-building programming to help other countries come up to nonproliferation, safety, security, and export control best practices. We use this to work with partner countries to make them better nonproliferation partners in various ways: securing their borders; building effective national security export control regimes and regulatory structures; combating nuclear smuggling and the proliferation of chemical and biological goods and materials; effectively implementing their international nonproliferation obligations and United Nations sanctions against problem proliferators; minimizing, securing, and eliminating sensitive items or materials; and training and equipping law enforcement, customs, or other personnel who prevent or interdict proliferation-facilitating transactions.
- We screen both export licenses and visa applications for proliferation dangers, conduct proliferation impact assessments of proposed agreements or transactions,

and work with interagency and international partners to ensure that U.S. and multilateral control lists keep up with the evolution of WMD and other proliferation threat technologies.

- And we use State Department nonproliferation sanctions authorities – and work with interagency partners to most effectively use *their* authorities – to penalize those who engage in proliferation and to help deter future mischief.

All of this work, Mr. Chairman, is devoted to making sure that it is as difficult, costly, expensive, and painful as possible for rogue regimes and terrorists to acquire WMD, delivery systems, or advanced conventional weapons. This is our “traditional nonproliferation” mission, and it is exceedingly important work. Nevertheless, this is not *all* we do.

## II. *Reforming and Improving*

We are also hard at work to ensure that we do all of this as efficiently and effectively as possible. As an example, we are undertaking a broad reform of our programming efforts to ensure that ISN is as responsible and effective as possible as a steward of the funds that Congress and the U.S. taxpayer have entrusted us to manage in support of international security and nonproliferation equities.

We are, for instance, building new evaluative mechanisms into our programming to ensure that we target spending as directly as possible against concrete security threats and the highest priority challenges facing U.S. foreign and national security policy, that we re-evaluate programming decisions on an ongoing basis in order to maximize their responsiveness to evolving circumstances, and that we “graduate” recipients of our assistance as their national or institutional capacities improve so as always to be devoting our capacity-building resources to the most pressing security needs. To this end, Mr. Chairman, we have also been migrating our programming funds from rigid, country-specific efforts into more flexible regional or global accounts that will permit us to maintain appropriately threat-prioritized allocations in a rapidly changing environment. We are grateful for the support we have received both from the Department and from Congress in these reform efforts, and for continued funding for our nonproliferation programming, which faces an ever growing list of threats to address as part of our mission to prevent the spread of WMD, delivery systems, and advanced conventional weapons capabilities – and rolling back such proliferation where it has already taken root.

In line with these reform efforts, in the past two of the President’s budgets, the Department requested that the Congress grant full notwithstanding authority for three ISN programs to counter WMD proliferation threats that emerge from state sponsors of terrorism and gross violators of human rights. This would provide these ISN nonproliferation programs a similar notwithstanding authority as other State programs, such as those of the Bureau of International Narcotics and Law Enforcement Affairs, and ensure that all necessary tools are available to hold regimes such as North Korea and Iran accountable. This would enable us to implement programs to address proliferation threats in countries where we lack this authority. This request is not intended to use foreign assistance dollars to build the capabilities of states that

violate United Nations Security Council Resolutions and break international commitments, but to identify and help prevent proliferation activities anywhere they may occur.

Internally, moreover, ISN has greatly improved mutual situational awareness and coordination between our “policy” and “programming” offices, to maximize their effectiveness as collaborative team members. Indeed, we have been working to replicate this approach on a multilateral basis, by encouraging analogous moves by our diplomatic partners and in *fora* such as our Global Partnership and Nonproliferation Directors Group engagements.

Nor have we restricted our innovations to the U.S. interagency and our work with diplomatic counterparts. We have also placed a very high priority upon public outreach and engagement, to explain what we have been doing on all fronts, to outline the thinking behind it, and – frankly – to evangelize for sound nonproliferation and international security policies across the entire range of Bureau mission areas. We are proud, Mr. Chairman, not just of the work we are doing, but of the robust public record we are building about that work – hopefully, not merely as another bureaucratic participant but also as an example and an inspiration to others both at home and abroad.

### III. *Evolving New Missions*

But these days we do even more than this, Mr. Chairman. ISN now also uses our nonproliferation-derived tools and expertise to support U.S. national security and geopolitical strategy more broadly. Most of all, in this respect, we are building new lines of effort in support of our nation’s competitive strategy. This undertaking is appropriate for an era in which high-level U.S. national security documents such as the National Security Strategy and the National Defense Strategy place special priority upon meeting the challenges presented by the revisionist powers of China and Russia – as well as the threats that Iran and North Korea present.

- We now work with new focus and vigor, for example, to impede technology and resource flows to China and to Russia as part of the United States’ broader competitive strategy, to constrain their high rates of military-technological advancement. This also helps our own great Republic’s creativity and industriousness (and that of our allies) to meet the challenges before us.
- We implement sanctions against those who engage in significant transactions with the Russian defense or intelligence sectors, as well as leveraging the threat of sanctions to prevent such transactions, cutting off revenue flows to the Kremlin, undermining the malign strategic relationships Moscow seeks to build with foreign clients, and perhaps helping create opportunities for Western suppliers in the process.
- We work to counter the momentum of China’s predatory, state-funded nuclear industry – and to create opportunities for U.S. or other suppliers – through diplomatic engagement with foreign partners and through both private and public consciousness-raising about Chinese manipulation of industrial and commercial

ties, theft of intellectual property, and diversion of foreign technology to military purposes. We also negotiate Nuclear Cooperation Memoranda of Understanding, a new diplomatic mechanism we have developed to help U.S. industry, laboratory, academic, governmental, and regulatory entities develop and strengthen relationships with actual or potential nuclear technology partners overseas.

- And we help implement full-spectrum pressure campaigns against Iran and the DPRK to change their strategic calculus on weapons of mass destruction and their proliferation – even while we plan and prepare to implement the cooperative, negotiated elimination of threat programs in those countries as an outcome of the talks our pressure efforts aim to incentivize. Such pressure campaigns complement and reinforce traditional nonproliferation work that is aimed at impeding the flow of sensitive technology and materials, but it targets bigger game: in addition to making proliferation more difficult, we aim to make it *less attractive*.

As the U.S. government as a whole is in the process of reorienting itself increasingly toward broader strategic challenges, Mr. Chairman – including to the exigencies of *counterstrategy*, especially vis-à-vis revisionist China – we are making such work an increasingly important part of the ISN Bureau's activity. All ISN offices are exploring how they can contribute better to these strategic goals, and we are reorienting parts of the Bureau to facilitate this.

- We aim to build upon our current work in preparation for North Korea denuclearization activities – as well as excellent (if somewhat *ad hoc*) work done by ISN in the past on such projects as missile elimination in the Former Soviet Union, WMD program removal in Libya, and Syrian chemical weapons destruction – to institutionalize negotiated threat program elimination as a locus of professional specialization in ISN for the first time.
- We are also working to expand the bureau's work in the competitive strategy space by developing and improving ways in which we can support U.S. posture vis-à-vis state-level adversaries such as China, Russia: ways in which to use our nonproliferation-related skills to help undermine elements of *their* strategies and create opportunities for our own.
- Additionally, we are taking a more thoughtful look at strategic planning by dedicating personnel to surveying the strategic environment and looking at trends and emerging challenges to help maximize our chances of being postured effectively against future threats. In effect, Mr. Chairman, I want to minimize the danger that my successors will find themselves in *my* position of having to make up for time lost while the United States failed to focus upon Great Power threats while our adversaries were hard at work on their own competitive strategies.

We certainly haven't abandoned the traditional priorities, which often provide a vital foundation for our new and emerging missions, and we still work at them faithfully, diligently, and effectively. But we are also mindful that state-on-state challenges never went away over the last quarter century, and that certain other powers have been hard at work on their own strategies against us while we were preoccupied with other matters. It is now a key part of our mission to contribute to U.S. competitive strategy in response to these challenges – on top of all of the other vital things our bureau does.

#### IV. *Conclusion*

We are proud of all we are doing in support of these U.S. national security and foreign policy priorities, Mr. Chairman. It remains an immense honor and a great pleasure to lead this superbly talented team of Civil Service, Foreign Service, and contract experts devoted to protecting and advancing the interests of our great Republic in a challenging and dangerous world and helping make that challenging world a less dangerous place.

As I hope I've made clear, we are working enormously hard on a great many fronts in our efforts to make the American people safer and more prosperous in the face of a broadly deteriorating global security environment. Doing all of this is hardly easy, and our staff has basically been engaged in a sort of "marathon sprint" for the last couple of years. We are enormously grateful for the support we've received from Congress, and we look forward to continuing to work with you and your colleagues on these great collective challenges in the months and years ahead.

Thank you, Mr. Chairman. I look forward to your questions.

\* \* \*

Mr. SHERMAN. Thank you. I let you go a little over because you are doing the most important thing in the world which is preventing the spread of nuclear weapons.

I am going to focus on the Saudi program. I also sit on the Science Committee and in that committee Rick Perry assured me that the Administration will not sign a 123 agreement with Saudi Arabia unless Saudi Arabia signs the additional protocol. He repeated that in a letter to the Saudi Energy Minister. It was sent on September 4th.

Since I like getting these assurances, I would like to get one also from you. Will we sign a 123 agreement with Saudi Arabia if Saudi Arabia has not agreed to or signed the additional protocol?

Mr. FORD. Mr. Chairman, my guidance at the State Department is to try to avoid where I can comments on on-going negotiations. However, the—

Mr. SHERMAN. What is the Congress for if we are not going to ask you questions about what you are working on?

Mr. FORD. I was actually about to say, sir, that the Secretary of Energy has been very clear and I hope that will be in some way reassuring about our seriousness, ensuring that we are always asking for the strongest possible nonproliferation assurance.

Mr. SHERMAN. Asking or insisting upon—let me put it this way. I quoted Secretary Perry. Do you know anyone at the State Department that disagrees with him on this issue?

Mr. FORD. There has been no daylight between the Secretary of Energy and the Department of State on these issues, sir.

Mr. SHERMAN. Now moving on, when was the last Iran, North Korea, Syria Nonproliferation Act report provided to Congress and what period of time did that report cover?

Mr. FORD. I believe, sir, that the last report was submitted in May and it was the Calendar 16 report. It contained, I believe it resulted in additional sanctions, designations against 22 persons or entities.

Mr. SHERMAN. But it covered the period through the end of 2016?

Mr. FORD. Yes, sir. It has been a bit of travail for us to dig out from the hole that we inherited. When I arrived at the beginning of this administration, we were, I believe, three reports behind. We are now on the edge of being only one report behind. We are finishing up the one the Calendar 17 report and it ought to be submitted by the end of the year. That I fully admit is not out of the hole yet, but it does represent progress at a time in which staffing and resource challenges amidst a swirling world of day to day proliferation related concerns have made it challenging to do this, but we have been pretty successful in making progress and I can assure you, sir, that we will continue to do so.

Mr. SHERMAN. Can you describe what the Administration is doing to make it more difficult for Iran to use illicit procurement of materials that would help them develop a nuclear weapon?

Mr. FORD. A range of things. It is quite a full-spectrum approach. We work very closely with our intelligence and law enforcement colleagues to make sure that we understand as much as possible about the proliferation network through which items and materials move. We work with intermediary points and transshippers to do what we can to ensure that they are as well informed as they can

be and that they are able to get in the way of such shipments wherever possible. We work with countries that represent points of origin and demarche them frequently about problem shipments and transfers. Some, of course, are more cooperative than others, but it is an effort that we undertake daily through multiple offices in the Bureau and partnership capacity building efforts around the world, sir.

Mr. SHERMAN. The Administration says South Korea and the firm KEPCO is bidding on a Saudi nuclear contract and that it uses U.S. technology and therefore cannot sell to Saudi Arabia nuclear equipment without a 123 agreement between the United States and Saudi Arabia in place. Others have said that KEPCO is not using U.S. technology. What is the position of your Department?

Mr. FORD. It is our understanding, sir, that there is indeed U.S. technology in the reactor design that the South Koreans are offering through KEPCO to the Saudis. And as a result of that, it is our understanding and belief and I think we share this with the Department of Energy that a so-called Part 810 authorization would be necessary in order for South Korea lawfully to export that technology to the Kingdom of Saudi Arabia.

Mr. SHERMAN. Let us see. So if KEPCO went ahead and bid without a Part 810 license, would that be a violation of U.S. law?

Mr. FORD. I must confess not to be enough of a lawyer on these topics to know precisely what would happen, but I have to think that that would entail significant legal complications for the South Korean bid, sir.

Mr. SHERMAN. And do you know whether the South Korean Government has agreed with us that it uses U.S. technology?

Mr. FORD. I know that this point has been very clear to them, Mr. Chairman.

Mr. SHERMAN. I would hope that you would also deal with the East Asia Bureau. We have bled lives and treasure to protect the people of South Korea by the tens of thousands of deaths, by the hundreds of thousands of injuries. And I hope that we could drive home the importance of South Korea not undermining American security in some other part of the world just so that one company can make a few dollars. So this should affect everything in our relationship with South Korea. And with that, I yield to the ranking member.

Mr. YOHIO. Thank you, Mr. Chairman. As we were talking earlier about the assessment of the state of the world with who has nuclear weapons, what are the counts, what are the best estimates we have, who are the good players, who are the ones that we cannot trust, and we have seen over and over again Iran, you know, the cat and mouse game we have had or North Korea, the clandestine, that we just do not understand really and have a good assessment. I know we have limited knowledge. And then you bring in other players that may be out there. And of course, China is out there which, you know, they do not have a strong commitment of holding up treaties and international norms.

And so in your assessment where you said on nonproliferation, what do you see where we need to focus more on where we may have dropped the ball that we should do a better job? And I know

you guys are doing a great job, but from Congress' authority to direct maybe a program or put emphasis somewhere else, I would like to hear from you on that.

Mr. FORD. Well, sir, I would not describe these two points as being dramatic, unmet needs, but they are challenges on which we are working hard and on which progress has been modest, but there is progress. And the first being the general challenge of China which continues to be, in effect, the proliferator's preferred point of origin for multiple systems around the world. I am thinking in particular of supplies to the Iranian missile program which had been the subject of the enormous efforts on our part and sanctions and demarches against entities involved for 15 years or more. We are working to do what we can with that. It is not moving as fast as anyone would like and of course, the Iranians have been working very hard not to continue their supply network.

Another challenge related to that, sir, is the degree to which the Iranians partly, I hope, as a result of our efforts and successes in getting countries to be better partners and build their export control capacity, controlling items in international transit. The Iranians are getting better at shifting items at lower and lower levels or perhaps not even on control lists and doing later assembly of various uncontrolled components back home. That makes it, in some respects, harder to do the kind of export control work that we do and it forces us to rely increasingly upon working with partners to use the so called catch-all controls in their export control licensing or in their transshipment management. That is not impossible, but it is a more difficult and it is more of a nontraditional challenge compared to simply comparing what you see on a bill of lading to a control list from say the Wassenaar Arrangement.

Mr. YOHO. And that is what we worry about because with the transshipment and it goes through different channels through Hong Kong to a boat out in the South China Sea and goes from one boat to the other and it shows up. The components coming in that we know that maybe Iran was bringing in, do we have a sense of any of that coming in and was there looking at the Iranian situation, was there a sense that they might have been building centrifuges that they claim not to? Is that something you can talk about here?

Mr. FORD. In terms of assessments of what the Iranians may or may not be doing right now beyond what one sees in, for example, the IAEA reporting, I would refer you to our intelligence colleagues who may be able to offer more insight into that.

Mr. YOHO. Yes, and that is one of the problems I had with that, the JCPOA was supposed to be initially any time, anywhere, any place, and then we found out that was not really true.

Moving forward to North Korea, have we gotten anywhere of what denuclearization means to both sides that we can agree on and then what level of inspections that we could all agree upon with the IAEA?

Mr. FORD. Our interagency has been working very hard for quite some time to be ready in the event that North Korea, in fact, do what it has promised to do and what we expect and needed to do in these negotiations that we hope to have restarted soon. It is very difficult to speak in great detail about that here because, of course,

precisely what it is that is agreed to is not yet known. Our planning efforts have been devoted to trying to ensure that we are as ready as possible for a variety of different source of answers.

With respect to the IAEA, however, what we have made very clear both publicly and to the North Koreans themselves, is that we—it is very difficult to imagine any scenario in which the IAEA is not involved in some way. Now the particular modalities of that remain to be negotiated and frankly, Pyongyang does not have the happiest of relationships with the Agency over the years, but certainly especially with respect to long-term monitoring and frankly, providing the kind of international imprimatur on the fact that certain dismantlements have occurred and that certain safeguards are, in fact, being effectively applied, it is very difficult to imagine a substitute for the IAEA in that respect, especially at the time.

Mr. YOHO. Right. All right, thank you. I am out of time and I yield back.

Mr. SHERMAN. The gentleman from California.

Mr. BERA. Thank you, Mr. Chairman. I also want to attach myself. I happen to be on the Committee on Science, Space, and Technology with the chairman, and again, just reiterating that committee with Secretary Perry, we were given strong reassurances that unless an acceptable 123 agreement with additional protocols was signed by the Saudis that we would not be proceeding and the recent events of the missile attack on the Saudi refinery gives us just one additional reason that we need to proceed pretty carefully.

My background is as a physician. I spend a lot of time thinking about pandemic preparedness, et cetera. And again, I know ISN plays a role in global biosecurity efforts. You know, when I think about the Biological Weapons Convention and just look at the advances that are taking place in genetics, et cetera, how are we going to keep up with this? If I could get your perspective on continually modernizing the BWC.

Mr. FORD. You are quite correct. That is a very great challenge. We have been working very hard to try to use the mechanisms that the BWC does provide to encourage countries to do more in terms of confidence-building measures with each other, for instance, in terms of mutual transparency and awareness. We think that there is more that can and should be done under the auspices of the Convention to build out approaches and preparedness for the kind of mutual assistance that the Convention envisions in the event that there happens to be a biological attack, for instance. These are things that we do work with our colleagues within the Convention on quite regularly.

The intercessional process between review conferences has been a bit challenging because of foot dragging by countries such as Cuba and Iran, for example, and we have had trouble enticing some participants to, in fact, pay their dues which funds that intercessional process. So this is an on-going challenge in managing this. But at the same time as we are doing this, we are also working very hard through our programming spending, for example, and doing things like securing biological facilities and labs and improving awareness of security practices of bioscience that will hopefully through these bilateral engagements conduce to a better state

of play irrespective of what is or is not agreed or worked out through the Convention itself.

Mr. BERA. We often spend a lot of our time talking about nuclear nonproliferation, but from your perspective, Assistant Secretary, what are the things that we should be focused on in Congress that can certainly assist your diplomatic efforts. There is still a large number of countries that are members of the BWC, but certainly do not have the same protocols that we are urging. And what would you like to see us focused on in that particular area?

Mr. FORD. Well, actually if I might put in something of a shameless plug for reforms that we are doing in our programming precisely in order to make them more threat responsive, I would point out that we are working quite hard, especially on the countering weapons of mass destruction terrorism front to make sure that we are as responsive as we can be as our collective understanding of the evolving threats out there change.

At the moment, the unfortunately hot topic is more on the chemical and biological side and we are reprioritizing some of the work that we are doing to make sure that while we, of course, do not want to let drop the very important radiological and nuclear side of it, there is an unmet need in the CBW aspect of our programming that we are reprioritizing some funding toward. That is an important priority and it is part of the threat responsive recalibration effort that we are doing with our programming and we would certainly be delighted were Congress to assist and support these kinds of efforts. They are underway and we think they are very promising and I can also promise that we are, as I alluded to in my written remarks, we are building in efforts to ensure that at any given point we are reprioritizing and reprioritizing and reprioritizing, depending upon what we see in the shifting threat environment.

At the moment in CBW, I cannot speak to what it might be in say 10 years' time, but we very much hope to continue to work with those who provide funding for these efforts to make sure that we can tell you at any given moment that the marginal dollar is always going toward the most important unmet need.

Mr. BERA. In my capacity as chair of Oversight of Foreign Affairs, I would love to have my staff reach out to you or your staff or find some time for us to meet and get into some of the specifics where we think there might be some holes and where we could be of assistance.

Mr. FORD. That would be a pleasure, sir.

Mr. BERA. Great. Thank you. I will yield back.

Mr. SHERMAN. I recognize the gentleman from Pennsylvania.

Mr. PERRY. Thank you, Mr. Chairman. Mr. Ford, it is a pleasure to have you here and we appreciate your presence.

We announced that we would no longer participate in the JCPOA in May of last year and in September of this year, which is last month, no, it is this month. It is almost last month. It is this month, the IAEA reported that Iran started installing advanced centrifuges at its pilot uranium enrichment facility. And in July of this year, the reports found that both the quality of Iran's low enriched uranium stockpile, as well as the LEU's uranium 235 concentration exceeded the JCPOA's mandated limit.

A couple questions here in regard to those two factoids. The July 2019 report, is that as of July or when did they figure out that Iran had exceeded both the quantity and the concentration and then reported? Was that the time that they found out or did they find out some time prior to that and then that is when we got the report?

Mr. FORD. Well, Congressman, I do not have the report in front of me so I do not know specific date of information. Our work with them on things like JCPOA monitoring has been over time quite timely. So if there was any delay, my suspicion is it results simply from things like flying back to report and draft in Vienna. We are not in any way unhappy with the timeliness of the report.

Mr. PERRY. And I am not suggesting—what I am trying to figure out the time line of when they determined things as opposed to the time when it is actually reported. Is that in your experience days, months, weeks, or hours?

Mr. FORD. Without having the data in front of me, take this with something of a big error bar, but my impression is much more like days.

Mr. PERRY. OK. So we left in May, right, we announced our withdrawal in May, but Iran still has the bilateral agreement with the other countries, even as we have exited, right? Is that not true?

Mr. FORD. We are no longer a participant.

Mr. PERRY. Right.

Mr. FORD. There are several other—all the other parties.

Mr. PERRY. All the other parties, right?

Mr. FORD. Yes, sir.

Mr. PERRY. Now even though as far as I know, was the agreement ever signed by Iran, you know, like a signature is as good as the intention that backs it up. And I do not think that Iran ever had any intention, but that is my personal opinion, but did they ever sign it?

Mr. FORD. I am not aware of any document with signatures on it if that is what you are describing.

Mr. PERRY. But there was a public agreement that they would comply and I do not know how long it takes to exceed both the quantity at whatever level they are at or the concentration. I do not know if it matters, that we pulled out in May and by July of the next year—and I do not know if we can determine whether they had already been enriching to that level prior to us departing because one of my frustrations here, quite honestly, is that even in this committee, there have been a lot of calls that why are we leaving the JCPOA? Why would we consider leaving it? Iran has been compliant and you cannot name one time where they have not been compliant. And I am wondering if we can figure that out.

Even while these things are a violation, these things are a violation of the JCPOA as it stands and there are still, I do not want to call them signatories, even though I do not know that anybody signed, but countries that have agreed including Iran, yet these violations are never seen as violations and so that is another question. Why are they not seen as violations? And what does it take to actually violate the treaty and be called for it?

Mr. FORD. I think as we have seen reporting from the IAEA, Iran is clearly doing things now that are not consistent with the JCPOA commitments. There would have been a point under the JCPOA

when all of these things would have been perfectly fine by the terms of the agreement and that was actually one of the reasons why we did not like it. It was, in a sense, not even—

Mr. PERRY. My point is is when they violate it, no one ever says they had violated it, which is one of the frustrations, quite honestly, in Congress and I think to the American people, is that they know. Americans, if we have not figured it out in Washington, DC, Americans inherently know that Iran has no—they have no plans or intentions whatsoever of complying with this stuff, and they know that they are going to violate it. We are going to complain a little bit, and they are just going to keep going.

Let me ask you this because I am running out of time. The centrifuges, the heavy water, and the 235 concentrations, is any of that necessary for the production of commercial-grade power?

Mr. FORD. If they had an enrichment architecture that was big enough to produce it in an efficient way enough for a power program, you could at least imagine trying to make the argument. But with the scale of activities they are doing right now, I see no commercial relevance to this at all. But what there is is a potential danger for this activity to shorten the so-called breakout time.

Mr. PERRY. But since there is no commercial relevance, what is the relevance?

Mr. FORD. I hesitate with putting thoughts into their head and words into their mouth. My guess is it is partly negotiating leverage. They wish to be, in effect, paid off in order to stop these provocative activities. It is a bit of an extortion racket.

Mr. PERRY. My point is is that these things are not necessary for nuclear power production, what they are necessary is for a nuclear weapons program. And I yield the balance which I do not have any, but I will yield.

Mr. SHERMAN. Thank you. Recognize the gentlelady for Pennsylvania.

Ms. HOULAHAN. Thank you, sir, and thank you for coming today. I actually wanted to dig in a little bit on some of your testimony. You mentioned that you were coming back up to speed on three reports that were overdue and that you were just one report behind and that you were remarking that that was despite of being understaffed and under resourced. And I would like to know to what degree do you find yourself understaffed and under resourced and what is it that we can do to be helpful in that area?

Mr. FORD. Well, in our budget request, for example, for example, we have a request for at least a little bit of additional help in terms of FTEs that is being driven not just by on-going workload, but by anticipated increase in certain types of caseload for the matters that we handle.

In particular, the new legislation that is the FIRRMA legislation has been put in place to help reform the process by which foreign investments in the United States are screened for national security implications in order to, frankly, to close loopholes that it is a very good thing to close. That is all fantastic from our national security perspective and we are building out our, in the interagency, our ability to implement that, but it does take—it will result in a greater case load from our perspective at ISN, something in the order of 400 percent or so.

We are asking for an additional FTE this year and it is very clear that in future years we will need more FTEs and that is simply for this particular piece of the puzzle alone. At the moment, we have something like 174 people on board. Our authorized ceiling is more like 186. We are currently trying to hire against 20 FTE billets to try to bring our staffing up, but in the nature of bureaucracies that are occasionally afflicted by government shutdown, sometimes it is hard to make those processes work as quickly and efficiently as one would like. We are making progress.

Ms. HOULAHAN. So what do you attribute to the fact that you have 12 to 20 billets that go unfilled with a government shutdown 9 months ago and the economy's low unemployment rate, what do you attribute the fact that you cannot attract the talent that you would like?

Mr. FORD. Actually, I do not know that we cannot attract the talent. My suspicion is it is much more of a process, a question of bureaucratic procedures churning slowly. That does affect the competitiveness of a government job. If one is able to get a response from one's private sector potential employer in the space of 2 months, there is a bird in the hand versus a bird in the bush question for a bright, young person trying to come in to an important area like this if they have to wait many, many more months for government employment. But that is not an ISN-specific problem. That is something that we are trying to work on across the Department and probably the government as a whole.

Ms. HOULAHAN. That does have to do with security clearance backlog at all? The rate of response being months instead of more urgently?

Mr. FORD. I am not sure, ma'am, frankly. It probably is in some cases, but everyone's security background investigation is different and those are probably very different challenges one person from the next.

Ms. HOULAHAN. Thank you. And with the last couple of minutes of my time, I wanted to get into biology a little bit more. Mr. Bera, Representative Bera, talked a little bit about biological weapons and that is a concern and interest of mine, too.

I was wondering if you could talk about what we are doing to assess the information transparency of places like China, Iran, North Korea, and Russia, and their transparency on all issues biological.

Mr. FORD. I wish that were easier to answer. Their transparency is certainly not what one would like it to be. The classic example, of course, is Russia, which for many years, we understand, of course, had a very forward leaning biological weapons program. There was a brief window after the end of the cold war when the Russian Government was willing to admit that such a thing had been in existence, but then they went back to denying it and they have not ever thereafter come clean about what it consisted of or about what has become of it, leading to all the obvious—

Ms. HOULAHAN. And can we, the United States, do to bolster the transparency of a place like Russia?

Mr. FORD. It is hard when they do not wish to be transparent and when their system is as authoritarian as it is. And the same thing could be said of probably other countries around the world. There is no easy recipe for this. I think there is probably more that

we could do in terms of the classic kind of open-source analysis one does of what publications are coming out and what one can understand from different lines of efforts and research laboratories around the world.

It is occasionally possible to learn interesting things from people who are working on potentially provocative dual use topics to suddenly in the middle of a promising career go silent. But that is the day-to-day work of intelligence analysis and open source analysis of various sorts. We certainly do that.

In terms of getting more transparency, I think part of this is a diplomatic challenge that frankly those who are not transparent about such things in today's world when so many really horrifically scary things are possible with bioscience technology these days, far beyond what used to be so hectoring them and making this an important priority and always making sure that the rest of the world is asking them why are you not being as transparent as say the Europeans or the Americans.

Ms. HOULAHAN. I have run out of time as well, but I look forward to following up with you, having a further maybe off-the-record conversation. Thank you.

Mr. SHERMAN. The gentlelady from Virginia is recognized.

Ms. SPANBERGER. Thank you, Mr. Chair. Assistant Secretary Ford, thank you for being with us today. In January, DNI Coats and DIA Director Lieutenant General Ashley testified that Kim Jong-un is unlikely to eliminate North Korea's nuclear weapons program, assessing both Kim Jong-un's intent, as well as the country's current increasing military capabilities. This assessment is seemingly incompatible with the administration's intent to have the and I quote "final and fully verified denuclearization of North Korea."

As a former intelligence officer, I am concerned about what appears to be a dramatic disconnect between our political and our intelligence leaders, in particular, the rejection of objective non-partisan intelligence assessments. As the head of the International Security and Nonproliferation Bureau whose primary mission, as you described in your testimony, is to prevent the spread of weapons of mass destruction and to help roll back proliferation where it has already taken root.

What is your assessment on the likelihood of the complete and verifiable denuclearization of North Korea?

Mr. FORD. I would say that, well, there is no questioning of the IC's assessment. It is our hope, frankly, to persuade the North Korean regime to change its strategic catalyst. Does it wish to? I would be surprised if it did. But has it promised to? Actually, it fact it has and trying to get it to follow through in the commitments it has made in person to our President is the order of the day. No one I think would pretend that that is an easy, quick, or linear process, nor would anyone guarantee that it, in fact, will work.

We do think it would be unconscionable not to try, given the stakes involved and we are working very hard to make sure that our diplomats are prepared in a way that allows them to be technically proficient and able to reach deals with the North Koreans, to come as close as humanly as can become to the goal of final and

fully verified denuclearization. That is not a guarantee it will work, but it is an absolute commitment to give it a very, very serious try because of the stakes involved.

Ms. SPANBERGER. And do you have an estimate of approximately how many nuclear weapons North Korea has destroyed since negotiations began?

Mr. FORD. Has destroyed? I do not have an estimate of that, but I would encourage you to talk to the intel folks about that.

Ms. SPANBERGER. OK, and to your knowledge has North Korea slowed the production of fissile material during these negotiations?

Mr. FORD. North Korea has committed to a—in effect, a moratorium on nuclear testing specifically and on long range missile testing. There is no commitment that I am aware of that goes beyond that, but in terms of what they are thought to actually be doing or not be doing, that might be a better topic for a different room and perhaps an intelligence community with it.

Ms. SPANBERGER. Wonderful. And in your perspective, from your perspective, what is the best outcome that we could potentially expect from these negotiations? And what do we need to get there?

Mr. FORD. Well, I mean I suppose the best outcome is what we are asking for on its face. We have offered the North Koreans a very dramatic swap, if you will. They face a very deliberately created international campaign of extremely punishing sanctions and pressure. It is our understanding that Chairman Kim is committed to having some kind of a prosperous and bright future for his country. He values the kind of engagement with the world that could bring in the sorts of profits and engagement with the rest of the world there. And our hope is that we can offer him the opportunity to be relieved of those pressures if he, in fact, does nothing more complicated than live up to the promises that he has already made with respect to denuclearization and that he has made repeatedly, his predecessors made repeatedly in the past going back to the early 1990's. Clearly, that negotiating record suggests that this is not going to be a simple or easy trajectory, but it is also true that we have never had the kind of direct engagement with them that we now have and are hoping to restart at the working and negotiating level very shortly.

Ms. SPANBERGER. And in that challenging trajectory noting the history between our two countries or at times lack thereof, what can we do to address the challenges that may exist when there have been times when the administration has not been prioritizing verified intelligence reports related to North Korea or frankly other areas of the world when it comes to nuclear proliferation issues?

Mr. FORD. I am actually not quite sure to what you are referring, ma'am, but at least in my experience intelligence reporting related to the North Korean proliferation challenge has always been greeted with enormous attention and focus, in part, because it has such an obvious and direct bearing upon our ability to accomplish the mission that we have been assigned by our commander in chief to negotiate a way out of this morass.

So as far as I can tell, they have always been paid enormous attention to.

Ms. SPANBERGER. All right, well, I thank you for your time, sir. And I yield back.

Mr. SHERMAN. The gentleman from Michigan, Mr. Levin.

Mr. LEVIN. Thank you, Mr. Chairman. Dr. Ford, the New START Treaty restricts the number of American and Russian nuclear warheads—

Mr. SHERMAN. If the gentleman will yield, I need to warn the witness, we are probably going to do a second round. Just do not expect this day to be over in 5 minutes.

Mr. LEVIN. I thank you for your forbearance then. You know, the New START Treaty is set to expire in February 2021 unless we and Russia agree to extend it. Does the Administration have a position at this point as to whether the New START Treaty should be extended?

Mr. FORD. To my knowledge, that decision has not been taken yet, but I have to give the caveat that that is not my lane in the road. It is Department of State. So I may not be the best person to answer that question.

Mr. LEVIN. All right, thank you. We will followup with them. I think it is important that we try to continue.

I think that President Trump's withdrawal from the Intermediate Range Nuclear Forces Treaty represented a huge mistake, both for America's security and global peace and I strongly urge the Administration to support extending the New START Treaty and get Russia moving in the right direction on arms control.

I want to move on to Saudi Arabia. This month, Reuters reported that talks on a civilian nuclear deal between the U.S. and Saudi Arabia had hit a road block because Saudi Arabia does not want to rule out the option of enriching uranium, that is, as I see it, they do not want to close the door to a possible nuclear bomb.

Is that a fair assessment in your view of the Saudis' position on this issue?

Mr. FORD. I am not in a very good position to be able to talk about the contents of ongoing diplomatic negotiations. However, in certain press reports the Saudis have talked about their—here and then—about their hope to develop an enrichment capacity for purposes of producing fuel for nuclear reactors. That is all that I have heard them say publicly or, frankly, privately.

Mr. LEVIN. Earlier this year, Secretary of State Mike Pompeo testified during a Senate hearing that the United States wants to deal with the Saudis "which would not permit them to enrich."

Will the Administration insist that any civilian nuclear deal between the U.S. and Saudi Arabia blocks the Saudis' pathway to a bomb and prohibits enriching uranium or reprocessing plutonium?

Mr. FORD. My boss, Under Secretary Thompson has made clear that we go into 123 Agreement negotiations always asking for the strongest possible nonproliferation assurances. It is our policy for many years to oppose the spread of enrichment and reprocessing technology. And we always try to achieve that in 123 Agreements.

Historically, the record makes clear that it is not always possible to get that out of agreement, but we always insist and frankly, even the bare minimum required by law is a far better set of proliferation assurances than any other supplier of nuclear technology. We always work hard to get the best possible deal that we can and usually we do pretty well. Their record is not 100 percent on the so-called gold standard, but that is—

Mr. LEVIN. Thank you. Well, in my opinion, anything less than the gold standard will not do. The Saudis do not have a God given right to have nuclear power with U.S. cooperation and we better make sure that Saudi Arabia does not obtain nuclear weapons. That is far more important.

Earlier this year, I introduced a resolution that would hold any civilian nuclear deal between the U.S. and Saudi Arabia to the highest nonproliferation standard you were mentioning and ensure that the deal does not set the stage for a Saudi nuclear weapon. It calls for any nuclear agreement to prohibit Saudi Arabia from enriching uranium or reprocessing plutonium and block the Saudis' route to a nuclear bomb, the gold standard, as you mentioned.

I did this because peace and nonproliferation should always be the top priority for the United States, but also because recent events, like the horrific murder of Jamal Khashoggi, have made it all the more clear why we must insist on the highest nonproliferation standard for this deal. We cannot allow a civilian nuclear deal with Saudi Arabia to create a pathway to a nuclear bomb, period.

Thank you, Mr. Chairman. I yield back the balance of my time.

Mr. SHERMAN. Thank you. The gentleman from Michigan would be happy to know that we have a provision that I wrote in the NDAA that goes quite far in the direction you are suggesting and I look forward to—

Mr. LEVIN. Yes. I hope it survives.

Mr. SHERMAN. I look forward to your help in getting—it to survive.

Mr. LEVIN. You got it.

Mr. SHERMAN. I will now recognize the gentleman from Virginia.

Mr. CONNOLLY. Thank you, Mr. Chairman. I am going to followup on the point you made in a minute, but first I want—unfortunately, I was at another meeting when our colleague from Pennsylvania asserted that there were violations that had been ignored pursuant to the JCPOA, the Iran nuclear agreement.

And let the record show that even the United States did not have to certify until it stopped doing so in general, but the IAE certified and I was there the day they issued their last certification this late spring this year that in all metric, all measurements of expectations set out in the agreement, Iran was not compliant with respect to the level of enrichment, the storage of enriched uranium, centrifuges, inspections at a lot of facilities, that the deconstructing of the plutonium production reactor core and others.

We are all entitled to our own opinion. We are not entitled to our own facts. And frankly, by distorting facts or ignoring facts, in my view, to justify walking away from an agreement many did not like to begin with, we have now almost certainly set in motion the very thing we wanted to avoid, a nuclear Iran. And we looked success in the face and decided to despise it and I just think that is a destructive policy and I think the time has come for even those who were critics to admit it was working and that there is every urgency to either reconstitute it or try to reengage. But I do not know how serious human beings can reengage with the very power that convenes people in the first place and wrote the treaty and then renounced its own treaty.

The damage done in our credibility is not just on paper. It is real. It is palpable and it is going to damage the ability of the United States on many fronts to play interlocutor, to play arbitrator, to play chairman in bringing together parties with disparate views on important issues such as this one.

And how we re-engage Iran having shown we are an unreliable partner on a plan that was agreed to not only by our allies in Europe, but by Iran with whom we had not talked essentially since the revolution and China and Russia. We brought them all together a single, single development. And we blew it all apart. And from my point of view we blew it all apart because the current President of the United States did not like the previous President of the United States having anything by way of concrete achievement to his name. That is a petulant, peevish reason to damage the national security interest of the United States and to frankly, reinject the nuclear issue in a very volatile region of the world. Just a point of view. I am sorry that Mr. Perry is not here to hear it.

Following up on Mr. Levin's point about gold standard in Saudi Arabia, Mr. Assistant Secretary, are we not a little bit concerned that if we, in fact, accept something less than that that it then could unintentionally lead to proliferation because lots of other countries would be able to look at that and say we want to a lesser standard, too?

Mr. FORD. Actually, historically, sir, very few countries, in fact, only two have ever agreed to the gold standard and they had their very peculiar circumstances. In one case, there was already domestic legislation prohibiting enrichment and reprocessing in the United Arab Emirates, so it was essentially not much of an ask at all for them to be, to sign off in a 123 to those rules.

The other case being Taiwan, and as a result—

Mr. CONNOLLY. I am sorry, I am running out of time. My fault, but I am not understanding your point. Mr. Levin said we should not settle for anything less than the gold standard with respect to Saudi Arabia. Are you giving a rationale for why we will accept something less than a gold standard in Saudi Arabia?

Mr. FORD. No, sir. I am trying to explain why it is hard. And another reason why it is challenging is that I wish that all the other nuclear suppliers around the world—

Mr. CONNOLLY. Let us stipulate that—Mr. Ford, I am running out of time. Let us stipulate it is hard. But what is the goal? What is the policy? Do we want the gold standard for Saudi Arabia especially in light of their recent behavior?

Mr. Khashoggi was my constituent and I still mourn what happened and I think we ought to be tougher, not weaker with respect to Saudi Arabia across the board, but irrespective of that, we do not want a nuclear proliferation any more than we have to have it in the region. Why would we not insist on the gold standard in Saudi Arabia other than it is hard?

Mr. FORD. Forgive me, sir. I did not know that he was your constituent and let me say it was a horrific and a horrocious and tragic situation and one can only mourn for his loss. We have pressed the Saudi Government strongly for full accountability for all those involved and I dearly hope that that happens.

With respect to the gold standard, the point I was trying to make, sir, is that unfortunately, this is no longer an era in which the United States' market share in the nuclear business allows us the opportunity to simply dictate terms. The challenge in this is finding the spot that allows us to get the strongest possible non-proliferation assurances without asking for the unachievable perfect in such a way that it drives would-be counterparties to deal with other suppliers who frankly do not care, in some cases much at all about these kinds of assurances. And where one can go running to another supplier who does not ask those complicated and nonproliferation strings, we have a very difficult negotiating challenge.

We absolutely try to get the best that we can possibly can in every single circumstance. It is hard in advance to say what that will be in any given case, but I can assure you that we are trying as hard as we possibly can. And Secretary Perry has also made very clear our seriousness in trying to push this as far as it is possible to push it.

Mr. CONNOLLY. We look forward to pursuing it with you. Thank you. And thank you, Mr. Chairman.

Mr. SHERMAN. Thank you. We will now do the second round. I will recognize myself for 5 minutes and I have got a lot of comments.

The first is that MbS, the Crown Prince says we want the same deal as Iran. And I think that in a way they should get it and that is this. If you start a nuclear program and you do not have a 123 Agreement with the United States, you should get the kinds of sanctions that we impose on countries we expect to proliferate. If Saudi Arabia wants to be an enemy of the United States on a par with Tehran, they can go down the Tehran road. And the only way—you are right. We are not the—we do not have the market power in the nuclear field to cause countries not to proliferate which is why you have to deal with the other parts of the U.S. Government and use the economic power of the United States and the fact that other countries are dependent upon us for their national security because otherwise, you have got nothing, I mean, to negotiate with. The countries always want to keep their options open.

As to the Iran deal, I think Iran is now asking that whatever new deal is put together be ratified by Congress. There has been an opinion on our side that anything signed by the President, who is a Democrat, is morally binding and legally binding on the American people whether Congress ratifies it or passes legislation or not. Suffice it to say no one in my party believes that if this President signs a deal say a deal with Botswana that both countries will endeavor to burn as much coal as possible, that that would be morally or legally binding upon the United States without congressional action. So it was not a treaty. That being said, it is a little extreme to tell Iran that they should have remained in compliance with it after we backed out. They negotiated it to get certain benefits from the United States. We have taken those benefits away.

Saudi Arabia is on a peninsula with a huge amount of natural gas. It is very expensive to liquefy and move natural gas when you do not have a pipeline. They do not have a pipeline. So the economic way to generate electricity is to burn natural gas. They have

chosen not to. Why do they have a nuclear program? To give themselves a position to build a nuclear weapon. I hope that we will keep that in mind as they say first they need a nuclear program and second, they need to avoid the additional protocol.

Let us see. South Korea has long expressed an interest in pyroprocessing which they claim is less of a proliferation risk than reprocessing. Last time the State Department ruled on the issue in 2011, your Department at that point said pyroprocessing is reprocessing period. Do you stand by that?

Mr. FORD. Actually, I am a little bit out of date on those negotiations and the on-going engagement with them. I believe that there has been a sort of compromise *modus operandi* worked out in this long-standing point of difference between the two governments, but I am afraid I am not as familiar with that as I should be.

If I might, sir, on the Iran—

Mr. SHERMAN. So are we trying to discourage South Korea from pyroprocessing or have we changed our position?

Mr. FORD. Our policy continues to be to discourage the spread of enrichment and reprocessing technology in general, including in South Korea.

Mr. SHERMAN. Let me move on. What is the Trump Administration doing to prevent France from selling a very large processing plant to China that would allow Beijing to produce enough material for tens of thousands of nuclear weapons?

Mr. FORD. We work very closely with all other nuclear suppliers to encourage what we call standards of responsible nuclear supply. That includes a whole bunch of things that not everyone does. It includes promoting the additional protocol as a standard of supply. It encourages—it includes demarching people for what we believe to be unproductive and potentially strategically destabilizing moves. I cannot speak about particular demarches, of course, but our policy—

Mr. SHERMAN. I will just mention a few issues with the questions for the record.

We have got Japan's massive reprocessing plant that has been delayed for years. We hope that the administration is trying to persuade Japan not to operate that plant.

We have got the Turkish President talking about moving toward a nuclear weapon and we hope that your Department is seeking to ensure that Turkey lives up to its NPT commitments.

And I will want an answer for the record, explicitly, on why the Administration has taken action to prevent Iran from shipping enriched uranium out of the country. I also oppose the JCPOA, but I think that getting enriched uranium out of Iran is a good thing and with that, I will recognize the ranking member.

Mr. FORD. If I might—

Mr. SHERMAN. If you want to indulge me for the time, I will get an answer, sure.

Mr. FORD. Forgive me, I cut you off. I was going to say with the issue of shipping uranium out of Iran, the fuel swap that was set up under the JCPOA, for which we dropped our previous waiver permission, was designed to give the Iranians an opportunity to continue to enrich. It allowed them to enrich, to keep enriching, and not exceed the cap.

Mr. SHERMAN. Yes. But now they have broken through that cap. The cap was imposed by an agreement that we renounced.

Mr. FORD. But they did not need that fuel swap to start with. They are perfectly capable of down blending. None of this was actually necessary for them. It was a political excuse to give them an opportunity to justify and legitimize the continued operation of enrichment and centrifuge activity that we did not think it was appropriate to encourage.

Mr. SHERMAN. Well, the only thing worse than Iran enriching is enriching and holding on to the enriched uranium. If they enrich and ship out, that is not as good as not enriching at all, but it is better than enriching and retaining.

Mr. FORD. But all of these problems, sir, are ones we would have faced either way under the JCPOA itself. We might have faced them a few more years down the line, but one of the fundamental problems with the deal and one of the principal reasons that we felt it necessary to pull out of it is that even under the JCPOA, we would have faced all these very same problems at some point or another anyway. In fact, it would have been worse then because at that time Iran would have been given, in effect, permission by the international community to buildup a stockpile of any amount of enriched uranium and—

Mr. SHERMAN. We know the long-term flaws of the JCPOA. We pulled out of the JCPOA so the world is not going to think that Iran pulled out when they violated because we already pulled out. The less enriched uranium the Iranians have and the lower enrichment level of that uranium at any one time the better. And the idea that well, we will prevent them enriching by not letting them ship out which means they will stop enriching because they do not want to violate the cap does not work if the world does not enforce the cap and we are not in a position to enforce—to tell the world to enforce the cap when we pulled out of the deal.

Mr. FORD. You and I would both agree that the right answer is for Iran to have no ability to produce enriched uranium at all.

Mr. SHERMAN. Obviously, in a perfect world—

Mr. FORD. But the JCPOA, in effect, deprived us of a pathway toward that right solution by legitimizing a massive nuclear buildup of a capacity in a few years' time. That is what we were determining from that, sir.

Mr. FORD. We could go on for a long time. The fact is that trying to enforce part of the deal—the deal against Iran while pulling out of it and then finding a crafty way to put—anyway, we have gone on long enough.

The gentleman is recognized. I may sneak out because I have got a former foreign minister of Indonesia, but I will sneak back.

Mr. YOHIO [presiding]. Thank you, Mr. Chairman. You know, I sit here on Foreign Affairs for the last 7 years and I hear this over and over again, you know, the JCPOA, John Kerry is sitting there and no deal is better than a bad deal. And there is a deal, but it is not signed. I mean you have bought a car, I bought a car. I bought a house, you bought a house. Nothing is binding until it is signed.

And so you see the confusion all this causes and the angst and one side against the other side. It was a bad vehicle that we should do better as Americans, as the U.S. Government.

In my opening statement I talked about since the cold war, the United States has stood as a leader in deterring and responding to nuclear threats around the world through cooperation with the four other recognized nuclear powers, Russia, the U.K., France, and China. Now we have the other ones, but I think we all need to sit at the table and have an adult conversation. Where do we want to go with these things that we wish we could un-invent, but we cannot? And what about the others, the CWCs and the biological weapons, and come to an agreement and bring all parties together and just say let us not go down this road. You know, let us work on diplomacy.

Is anybody talking about that? I know and then you have the U.N. out there which to me is a very useless vehicle because there is no enforcement mechanism and I look at the Security Council, you know, the 12 members that voted unanimously to put sanctioned on North Korea and two of them are Russia and China who never really enforced the sanctions. So it is inept at what it can do because it is limited by authoritative power or you know, enforcement I guess is what it is.

So there has got to be a better vehicle. And I think of the INF Treaty that we backed out of and it was because Russia was in there and our intelligence said they were creating new missiles, that they were incompliant, and then you have China who is not a signatory of that and they are building up an arsenal and it is just to me it is lunacy looking from here out there. And I am sure as they look at us, they are saying, well, I cannot believe they are this ignorant.

What would you recommend we do as world leaders with other nations to come together and have these discussions? And I would like to hear your thoughts on a better way to do this.

Mr. FORD. Thank you for the opportunity to talk about this, sir. This is actually something about which we feel very strongly and that we have been trying, in connection with which we have been trying to build new approaches. It does appear to us that the luxury that we got used to after the cold war of being able to see global arsenals decline precipitously has resulted in the relaxing of tensions that was associated with the ending of the cold war. That period, unfortunately, is not the period in which we now live.

Mr. YOHIO. Right.

Mr. FORD. The security environment now is more challenging than it was at that time and the traditional approaches that we became accustomed to during that post cold war interlude are ones that are, frankly, running out of steam to some degree and are not able to produce the kind of results that we have come to expect of them.

In response to that, we are trying to explore efforts diplomatically to bring countries together to have a more creative and thoughtful dialog on how to unstuck this process. I think there is a lot of wisdom that is encoded in the NPT itself and the preamble of that treaty actually refers to the importance of easing tensions and strengthening trust between States in order to facilitate disar-

mament. And I think in that one sentence you have an important kernel of wisdom here. The way you get to a world that ultimately does not have nuclear weapons is not to go after the tools in a world that is challenged in the security way that it is, but to go about trying to alleviate the underlying tensions that give countries incentives or perceived incentives to acquire weapons, to retain them, to not relinquish them. If we can figure out ways to alleviate tensions in the broader community, perhaps in islands of relaxation that can spread outward or whatever else it may be, that is the way that you are going to at least potentially find a way forward. That is why the Ban Treaty is absolutely the wrong way to do this. It goes about it backward by pretending that you are going to address this by the tools first as if the security circumstances will follow.

But what we are trying to do with what is called the Creating an Environment for Nuclear Disarmament initiative or CEND, is to bring countries together to have the kind of free flowing engaged, not for attribution, almost brainstorming if you will, to try to think through how it is that we can approach these challenges differently. What does the world need and how would you go about the challenge of trying to alleviate tension as opposed to simply imagining that you can wave a wand and have people feel relaxed enough about a challenging security environment that they would be willing to go to the next step and relinquish a certain additional number of warheads.

If there is a way forward, it has to run somehow through what the NPT tells us it needs to and that is to say that same relaxation of tensions and strengthening of trust. There is no guarantee this will work, but it is a kind of engagement and a focus of engagement that has not been tried before and we were very pleased to host the first plenary of a—I think we had as many as 30 or 40 countries come together in Washington in early July.

Mr. YOHO. Of this year?

Mr. FORD. Yes, sir.

Mr. YOHO. OK.

Mr. FORD. And we are planning another series of follow on line of effort discussion working groups to follow from that beginning in the very near future. There is no guarantee this produces results, but I think it is one of the few sort of novel approaches that has been tried for some time and we are very proud of at least giving it a try.

Mr. YOHO. How many times have you met like that? Is this the first one?

Mr. FORD. Once so far and perhaps in another couple of months I can tell you it is two.

Mr. YOHO. OK, hang on just a second. All right, and China is a signatory to the NPT?

Mr. FORD. They are. Yes, sir.

Mr. YOHO. All right, they agreed on the sanctions with China—or with North Korea and they did not follow through as did Russia. I think of China with the Philippines in the South China Sea and the EC losing their argument in The Hague about the claims to the Nine-Dash Line and all that and they lost that argument, yet they ignored it. I remember Xi Jinping, in our Rose Garden with Presi-

dent Obama, saying we are not going to militarize those islands while they are doing it.

So when you have people that are members of the NPT and they have signed on it and you start negotiating this and then here again China is not in the INF, so they are free to do whatever they want to, we need a collective, bringing these countries together and say all right, to deescalate where we are heading now and to prevent future conflicts, hopefully, maybe artificial intelligence will be the panacea of preventing future wars, but to be able to move forward you have got to have that trust and you have got to have a way of checking that and without trust you cannot move forward.

I am not looking for a response from you. I wish you the best of luck. I am looking forward to seeing what happens after your next meeting and if you would reach out to us and let us know, because there should be a world standard that says from this point forward this is what we are going to do and all these countries that have, you know, chemical weapons, biological weapons, nuclear weapons agree this is where we are going to draw a line, no more. And I appreciate your time.

Mr. SHERMAN [presiding]. I will make one final comment because I have a feeling you talked about the JCPOA.

Mr. YOHO. No, I did not.

Mr. SHERMAN. OK. I look forward to sufficient pressure being put on so that your Administration is able to negotiate a deal with Iran on proliferation issues that requires congressional approval and it is so good that he votes for it.

Mr. YOHO. And you do, too.

Mr. SHERMAN. And that I vote for it.

Mr. FORD. And if I might, sir, we actually have said publicly and because it is true, that we are, in fact, open to a legally binding agreement. In many respects that is, arguably, one of the many flaws.

Mr. SHERMAN. And to make it legally binding you need Congress and to get Congress, you are going to have to have a regime that does a credible job of keeping Iran from having nuclear weapons, not only during this Administration, but during future Administrations.

With that and I do not want anybody to think that I do not have a hundred other things to say, but with that, we stand adjourned.

Mr. FORD. Thank you, sir.

[Whereupon, at 3:25 p.m., the subcommittee was adjourned.]

APPENDIX

**SUBCOMMITTEE HEARING NOTICE**  
**COMMITTEE ON FOREIGN AFFAIRS**  
U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515-6128

**Subcommittee on Asia, the Pacific, and Nonproliferation**

**Brad Sherman (D-CA), Chairman**

September 26, 2019

**TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS**

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on Asia, the Pacific, and Nonproliferation in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <https://foreignaffairs.house.gov/>)

**DATE:** Thursday, September 26, 2019

**TIME:** 2:00 p.m.

**SUBJECT:** U.S. Nonproliferation Policy and the FY 2020 Budget

**WITNESSES:** The Honorable Christopher Ford  
Assistant Secretary  
Bureau of International Security and Nonproliferation  
U.S. Department of State

\*NOTE: Witnesses may be added.

**By Direction of the Chairman**

*The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.*

## COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON ~~ASIAN PACIFIC AND NONPROLIFERATION~~ HEARINGDay Thursday Date September 26, 2019 Room 2172Starting Time 2:00 p.m. Ending Time 3:25 p.m.Recesses        (        to        ) (        to        ) (        to        ) (        to        ) (        to        ) (        to        )

Presiding Member(s)

*Congressman Brad Sherman*

Check all of the following that apply:

Open Session ☒Electronically Recorded (taped) ☒Executive (closed) Session ☐Stenographic Record ☒Televised ☒

TITLE OF HEARING:

*U.S. Nonproliferation Policy and the FY2020 Budget*

SUBCOMMITTEE MEMBERS PRESENT:

*See attached.*

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an \* if they are not members of full committee.)

*N/A*HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

*QFR Sherman*

TIME SCHEDULED TO RECONVENE \_\_\_\_\_

or

TIME ADJOURNED 3:25 p.m.

**HOUSE COMMITTEE ON FOREIGN AFFAIRS**  
*ASIA, THE PACIFIC AND NONPROLIFERATION COMMITTEE HEARING*

| <i>PRESENT</i> | <i>MEMBER</i>                 |
|----------------|-------------------------------|
| X              | <b>Brad Sherman, CA</b>       |
| X              | <b>Gerald E. Connolly, VA</b> |
| X              | <b>Ami Bera, CA</b>           |
|                | <b>Dina Titus, NV</b>         |
| X              | <b>Andy Levin, MI</b>         |
| X              | <b>Abigail Spanberger, VA</b> |
| X              | <b>Chrissy Houlahan, PA</b>   |

| <i>PRESENT</i> | <i>MEMBER</i>            |
|----------------|--------------------------|
| X              | <b>Scott Perry, PA</b>   |
| X              | <b>Ted Yoho, FL</b>      |
|                | <b>Ann Wagner, MO</b>    |
|                | <b>Brian J. Mast, FL</b> |
|                | <b>John Curtis, UT</b>   |

## RESPONSES TO QUESTIONS SUBMITTED FOR THE RECORD

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 1)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 1:**

In your opening remarks, you mention the need for three ISN programs to have full “notwithstanding authority” to counter WMD proliferation threats. However, “notwithstanding authority” is supposed to be for emergency funds and that’s what the Nonproliferation and Disarmament Fund is for. So why does the ISN bureau need two more? What is the State Department going to be doing “to hold regimes such as North Korea and Iran accountable” that they need notwithstanding funds for?

**Answer 1:**

We agree that NDF’s resources need to be preserved for unanticipated contingencies such as the potential destruction of North Korea’s WMD infrastructure. ISN’s Export Control and Related Border Security, Global Threat Reduction, and Weapons of Mass Destruction Terrorism programs could use full notwithstanding authority to deprive proliferator regimes and terrorists from operational safe havens. As our staff works to target diplomatic engagement and capacity-building to shifting operational needs as we do things such as respond to proliferator sanctions evasion, having more programming flexibility would be helpful. For example, ISN could train financial sector entities in Burma to halt illicit activities that fund North Korea’s WMD programs by adopting due diligence measures consistent with UN sanctions. We welcome an opportunity to brief your staff on examples where ISN programs are limited by current authorities.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 2)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 2:**

You stated that there is a “growing list of threats to address as part of our mission to prevent the spread of WMD, delivery systems, and advanced conventional weapons capabilities – and rolling back such proliferation where it has already taken root.” Could you be more specific about what kind of threats these are?

**Answer 2:**

We are working with new focus and vigor to impede technology and resource flows to, and counter malign activities by, China and Russia. China’s strategy of “military-civil fusion,” for example, routinizes the elimination of barriers between China’s civilian and military industrial sectors, specifically targeting the inherently dual-use nature of emerging and sensitive technologies, in order to achieve development of a “world class military” by 2049. Russia uses arms transactions not just for revenue generation, but also to build strategic influence with the international community. It is a key part of my bureau’s mission to undermine elements of our competitors’ efforts and create new opportunities for the United States and our partners.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 3)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 3:**

Do you worry that the demise of the INF treaty will lead to Russia exporting previously banned INF-range ground launched systems? What would be the Department's response to Russia selling a version of its banned 9M729 missile to Iran, for example? Is this something the Department is concerned about?

**Answer 3:**

The U.S. Intelligence Community assesses the Russian Federation's objective in developing the 9M729 missile was to keep the United States constrained under the INF Treaty while it covertly built and deployed a force of illegal missiles that threaten Europe. United Nations Security Council Resolution 2231, which was negotiated alongside the Joint Comprehensive Plan of Action, currently prohibits Russia from exporting this system to Iran unless approved by the Security Council in advance. However, UNSCR 2231 established sunsets to the long-standing international restrictions on the sale or transfer of conventional arms and missile-related capabilities to Iran. Under 2231, the import and export of conventional arms restrictions begin to expire in 2020 and the missile restrictions expire in 2023. The administration is committed to preventing Iran from advancing its military capabilities, including through foreign sales or transfers. Transfers of such weapons to Iran could trigger U.S. secondary sanctions. We must do all we can to extend these restrictions and end these dangerous sunsets.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 4)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 4:**

Your Bureau has placed a large importance on the upcoming 2020 NPT Review Conference (REVCON). What are the objects of the United States for that REVCON? What specific deliverables are you pushing for?

**Answer 4:**

The 2020 NPT Review Conference (RevCon) marks the Treaty's 50th anniversary as the foundation of the nonproliferation regime, offering a unique opportunity for States Party to recall how the NPT has created a safer and more prosperous world and renew their NPT commitments.

We will encourage States Party to recognize that the NPT reflects our common interest in preventing the spread of nuclear weapons, highlight peaceful uses of nuclear energy as a core benefit of the NPT, promote the U.S. initiative Creating an Environment for Nuclear Disarmament (CEND), which seeks to overcome obstacles to nuclear disarmament, and advocate for NPT Party to adopt the highest standards of nonproliferation and IAEA safeguards, including an IAEA Comprehensive Safeguards Agreement with the Additional Protocol.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 5)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 5:**

In January 2019, the Washington Post published satellite imagery that appeared to show that Saudi Arabia had acquired a factory that would allow it to produce its own ballistic missiles. This report was later confirmed by CNN and the Senate Foreign Relations Committee. Did the Saudi government inform the United States it was building this facility before construction began? If not, when did the United States learn about it?

**Answer 5:**

We refer you to the Intelligence Community with regard to these questions.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 6)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 6:**

On September 4th, Secretary of Energy Rick Perry sent his Saudi Arabian counterpart a letter that said: "The terms of the 123 Agreement must also contain a commitment by the kingdom to forgo any enrichment and reprocessing for the term of the agreement." An agreement to not enrich or reprocess is called the Gold Standard, and it has been agreed to the United Arab Emirates and Taiwan. Can you confirm that Rick Perry was stating that the U.S. position is that Saudi Arabia will not be allowed to enrich or reprocess any nuclear material under a 123 agreement?

**Answer 6:**

The United States continues to pursue the strongest nonproliferation conditions, including those regarding enrichment and reprocessing, that are achievable in our negotiations with Saudi Arabia for a 123 agreement. As I indicated in my responses to questions during the hearing, there is no daylight between the State Department and the Energy Department on these matters.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 7)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 7:**

On September 14, 2019, two oil facilities in Saudi Arabia were attacked with highly accurate cruise missiles and drones. If Saudi Arabia goes ahead and builds two nuclear reactors, wouldn't those be vulnerable to being attacked in a similar fashion with potentially devastating consequences?

**Answer 7:**

The United States remains committed to the highest international standards of nuclear safety and security. We strongly emphasize these issues in discussions with all partners considering peaceful nuclear power programs. This is particularly important in a region such as the Middle East. We have made clear that the United States takes the Iranian attacks on critical energy infrastructure and global energy markets very seriously. The international community must come together to counter the continued threat of the Iranian regime, and hold it accountable for its continued aggressive, reckless, and threatening behavior.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 8)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 8:**

South Korea has long expressed interest in pyro processing, which they claim presents less proliferation risks than reprocessing. The last time the State Department ruled on this issue was in 2011. At that time, your Department said, citing Department of Energy technical analysis, “pyro processing is reprocessing. Period. Full-stop.” Is the State Department’s position still that “pyro processing is reprocessing. Period. Full-stop.” If that is not the State Department’s position, can you explain the technical rationale for the change?

**Answer 8:**

The U.S. Government controls pyro processing technology as a form of reprocessing, and it is controlled as sensitive nuclear technology as defined in Section 4(a)(5) of the NNPA (22 U.S.C. § 3203(a)(5)). As noted in the Agreement for Cooperation Between the Government of the Republic of Korea and the Government of the United States of America Concerning Peaceful Uses of Nuclear Energy, done in Washington DC, June 15, 2015, the United States and the Republic of Korea initiated a joint study to review the technical, economic, and nonproliferation aspects of spent fuel management and disposition technologies (the Joint Fuel Cycle Study), including pyro processing. That 10-year study began in April 2011 and has not yet concluded.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 9)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 9:**

In exchange for receiving American technology to build its first missiles, South Korea agreed to limits on the range and payload capacity of its missiles. In recent years, the United States has agreed to progressively allow South Korea to increase both the payload and range of its ballistic missiles. In the fall of 2017, South Korea asked the United States to allow it to build missiles capable of carrying 2,200-pound warhead 500 miles- enough to cover all of North Korea. Did the United States and South Korea sign a new agreement to allow South Korea to build missiles with that range and payload capacity?

**Answer 9:**

The ROK's Revised Missile Guidelines (RMG) represent a unilateral commitment by the ROK, in consultation with the United States, on range and payload capability limits for ROK ballistic missiles, cruise missiles, and unmanned aerial vehicles (UAVs). The 2012 RMG announced in October 2012 restricted the ROK to developing ballistic missiles capable of delivering a maximum payload of 500 kg to a maximum range of 800 km. The 2017 RMG replaced the 2012 RMG on November 7, 2017, and the ROK's revisions lifted all payload weight restrictions on ballistic missiles but continued to limit the maximum range to 800km. As it has announced, the ROK's revisions to its missile guidelines are intended to improve its ability to address the threat posed by DPRK ballistic missiles from throughout North Korea. The changes announced in 2017 do not impact the export control commitments to which the ROK agreed when it joined the Missile Technology Control Regime (MTCR) almost two decades ago. The United States and the ROK are firmly committed to the MTCR Guidelines and actively support

global missile nonproliferation efforts, and the United States remains firmly committed to the U.S.-ROK Alliance and to the defense of the ROK.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 10)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 10:**

France has already sold Japan a massive reprocessing plant. It is aggressively pushing China to purchase an identical reprocessing plant. Reprocessing plants have never been economical for nuclear power but are a fantastic way to acquire fissile material for nuclear weapons. What is the administration doing to persuade France in particular and nuclear suppliers in general from selling enrichment and reprocessing plants?

**Answer 10:**

The United States has a longstanding position that opposes the spread of sensitive fuel cycle technologies, including enrichment and reprocessing, to countries that don't already possess them. Moreover —irrespective of whether or not any given foreign country already has such capability —since reprocessing can —lead to separated plutonium and, in principle, separated plutonium can be used to make nuclear weapons, our general view is that less reprocessing in the world is better than more. Our discussions with international partners are governed by this policy.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 11)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 11:**

Brazil is acquiring a nuclear-powered submarine. Although France is building the submarine, Brazil is building the naval reactor. Most naval reactors use highly enriched uranium, the same purity needed for nuclear weapons (although France is an exception. It uses 20% enriched uranium). Will Brazil's naval reactors use highly enriched uranium as fuel or medium enriched uranium like France's?

**Answer 11:**

France is building four *Scorpène* class diesel submarines for Brazil. Brazil's naval nuclear propulsion program is operating a naval nuclear propulsion plant prototype. We believe it is intended to operate on low enriched uranium, although we do not know the enrichment level.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 12)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 12:**

Has North Korea slowed the production of fissile material during the negotiations with the United States? Has North Korea ceased or slowed the fabrication of nuclear weapons?

**Answer 12:**

North Korea retains its WMD capabilities, and the IC continues to observe activity inconsistent with full denuclearization. The State Department would be happy to provide further updates in coordination with the IC in a classified setting.

Our goal remains achieving the final, fully verified denuclearization of the DPRK.

**Questions for the Record Submitted to  
Assistant Secretary Ford by  
Representative Brad Sherman (No. 13)  
House Foreign Affairs Committee,  
Subcommittee: Asia, the Pacific, and Nonproliferation  
September 26, 2019**

**Question 13:**

Has there been any evidence that China's major banks are involved in helping North Korea evade sanctions? If so, why haven't they been sanctioned?

**Answer 13:**

We expect all UN Member States to fully implement relevant UN Security Council resolutions. The United States has repeatedly made clear that we will hold third-country individuals and entities accountable for maintaining illicit relationships with the DPRK, including through the use of sanctions, where available. I refer you to the Department of Treasury for further questions on its sanctions designations regarding China's banking sector.