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Robert Palladino
Deputy Spokesperson
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TRANSCRIPT:

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MR PALLADINO: Good afternoon. Sorry for the slightly later than expected start. Today we have a special guest with us, Special Representative for Iran and Senior Advisor to the Secretary of State Brian Hook. Brian has some remarks at the top that he'd like to make, and then will be able to take a few of your questions. Please.

MR HOOK: Thanks. Good afternoon. Today we are providing an update on the President's Iran strategy. I will highlight the effects we are seeing on the Iranian regime and its allies and proxies in the Middle East. This briefing comes at a time when Iran is facing severe flooding. At least 45 people have died in the past two weeks after heavy rains, with flooding affecting at least 23 of Iran's 31 provinces. The Secretary issued a statement earlier today extending his condolences and offering assistance, and I extend my condolences as well.

Since taking office, the administration has designated over 970 Iranian entities and individuals. The sanctions announced last week against front companies supporting the Islamic Revolutionary Guard Corps and Iran's ministry of defense were the 26th round of American sanctions. Our sanctions have targeted a range of threats, especially Iran's support of terrorism, missile proliferation, its nuclear program, human rights abuses, and others.

As part of this pressure, we have sanctioned more than 70 Iran-linked financial institutions and their foreign and domestic subsidiaries. The SWIFT financial messaging system matched many of these designations and disconnected every sanctioned bank in Iran. In November, SWIFT even disconnected the Central Bank of Iran from its system. We have targeted Iran's illicit oil shipping networks, which enrich the brutal Assad regime and terrorist partners like Hizballah. We are taking unprecedented steps to deepen our cooperation with allies and partners to confront Iranian-backed terrorism and aggression. Joint teams from the departments of State and Treasury have now visited more than 50 countries around the world to brief on our new policy and warn of the dangers and reputational risks of doing business with Iran. Almost one year after the United States ended its participation in the Iran nuclear deal, and five months after the full reimposition of our sanctions, it is clear that our actions are restricting Iran's cash flow. They are constraining its ability to operate freely in the region.

Our oil sanctions have taken approximately 1.5 million barrels of Iranian oil exports off the market since May of 2018. This has denied the regime access to well over \$10 billion in revenue. That is a loss of at least \$30 million a day, and this is only with respect to the oil. Iran would otherwise use this money to support its destructive and destabilizing activities. Because of our efforts, the regime now has less money to spend on its support of terrorism, missile proliferation, and on its long list of proxies. In

November, we granted eight waivers, oil waivers to avoid a spike in the price of oil. I can confirm today that three of those importers are now at zero. That brings us to a total of 23 importers that once were purchasers of Iranian crude that are now at zero. With oil prices actually lower than they were when we announced our sanctions, and global oil – and global production stable, we are on the fast track to zeroing out all purchases of Iranian crude.

More than 100 major corporations withdrew from business in Iran. Companies like Total and Siemens have exited the Iranian market, taking with them billions of dollars in investment. Since the IRGC controls up to half of Iran's economy, this lack of investment means less money for the Quds Force and Iran's network of proxies. Our sanctions are draining Iran's support to its proxies, and for the first time in a very long time, they have less access to revenue to spread terror and militancy. In March, Hassan Nasrallah, the leader of Lebanese Hizballah, publicly appealed for donations for the first time ever. He has been forced to undertake unprecedented austerity measures. There are reports that some Hizballah fighters are receiving half of their pay, and that others are only being paid \$200 a month. Other Hizballah employees report receiving 60 percent of their normal monthly salaries.

A new analysis released last month by the Washington Institute corroborates these findings. Hizballah has closed almost a thousand offices and paused hiring of new personnel. The report further concludes that Hizballah itself attributes this belt-tightening to U.S. sanctions on Iran, which has historically provided the group with \$700 million annually. That is 70 percent of Hizballah's entire budget.

Hizballah is not alone in feeling the strain of American sanctions. Iranian proxies in Syria and elsewhere are experiencing a lack of funding from Tehran. Fighters are going unpaid, and the services they once relied upon are drying up. Last week *The New York Times* quoted a Shia fighter in Syria who said that, quote, "The golden days are gone and will never return. Iran doesn't have enough money to give us."

We are working with our allies and partners to make this the new norm. We have acted with them to disrupt Iran's illicit oil shipping operations. When we identified ships smuggling illicit Iranian oil for the Quds Force to support Hizballah and the Assad regime, Secretary Pompeo dispatched diplomatic teams to work with our allies and partners to help prevent it. We have been working with countries on almost every continent to identify vessels of concern and disrupt their operations. More than 75 vessels involved in illicit activity have been denied the flags that they need to sail.

Panama issued a presidential decree to pull registration and de-flag Iranian vessels. Countries like Singapore, Sri Lanka, and Sierra Leone have exercised great diligence to disrupt these schemes and deny criminal Iranian entities access to flag registries, insurance, and classification. We thank each of these nations for their work.

America has not acted alone to counter Iran's malign behavior. Our European partners pushed back against Iran after a foiled bomb plot in Paris, and thwarted an assassination attempt in Denmark. In January, the European Union sanctioned Iran's ministry of intelligence and security and two of its agents for their roles in these activities. The EU's recent Foreign Affairs Council passed conclusions in February that called out its ballistic – Iran's ballistic missile program. It also opposed Iran's malign activity in Europe, as well as its ongoing role in regional conflicts. Many European countries, including the United Kingdom, Germany, France, Denmark, the Netherlands, Albania, and Serbia have acted to address the threat of Iranian terrorism on their own soil, whether by recalling ambassadors, expelling Iranian diplomats, eliminating visa-free travel, or denying landing rights to Mahan Air, as Germany recently did. All of these activities were undertaken after the U.S. exited the Iran nuclear deal, undercutting the narrative that the U.S. is alone in countering Iran's threats to international peace and security.

We are also working with our allies and partners to oppose Iran's ballistic missile program. The United States, the United Kingdom, France, and Germany have repeatedly highlighted Iran's defiance of UN Security Council Resolution 2231, which calls upon Iran not to undertake any activity related to ballistic missiles designed to be capable of delivering nuclear weapons. We relayed our strong concerns to the UN secretary-general following Iran's launch of a medium range ballistic missile in December, and its attempted satellite launches in January and February.

Just last week, the UK, France, and Germany wrote to the secretary-general again, underscoring their concerns with Iran's recent missile launches. We are confident that our shared assessment of the threat from Iran will continue to translate into even more shared action.

Our sanctions are laying bare this regime's mismanagement and lack of transparency. Shortly after the President exited the Iran nuclear deal, Foreign Minister Zarif bragged that Iran would, quote, "thrive" under U.S. sanctions. His optimism was misplaced. A few months later, the supreme leader said that the regime is under, quote, "unprecedented pressure," end quote. President Rouhani has since said Iran faces its, quote, "most severe economic crisis in 40 years."

This economic crisis is largely of the regime's own making, because it has prioritized expanding the revolution abroad over sound economics at home. Living conditions have barely rebounded to pre-revolution levels. For most Iranians, the promises of the revolution never materialized. This is why the hashtag #40yearsoffailure was a popular hashtag inside Iran during the regime's 40th anniversary. Today there are reports that indicate Iran's economy is in recession. The rial has lost two-thirds of its value, the IMF predicts Iran's economy will contract by as much as 3.6 percent in 2019, and inflation hit a record 40 percent in November, with inflation for goods at 60 percent. It is likely to be much higher than that today, but it is difficult to know because the Central Bank of Iran stopped publicly reporting inflation back in December. What is the CBI hiding?

More than 70 percent of the Iranian public see the economy as bad or very bad, and 60 percent say it is getting worse. The Iranian people know whom to blame for reduced wages, lost savings, and a reduction in their purchasing power. A 2018 poll conducted by IranPoll found that nearly two-thirds of Iranians blamed the regime for mismanagement and corruption and for the country's economic woes. Less than a third blamed sanctions or international pressure for the current state of affairs.

This has not stopped Iran's leaders from deflecting blame for their own corruption and mismanagement, but the Iranian people know that their government's policies are the root cause of Iran's worsening economy. There are already whispers throughout the Iranian medical community that the regime is hoarding drugs and other medical products that they can then sell at marked-up prices for profit. The Iranian people view their government with such skepticism because the regime has lost all credibility.

I've discussed at length how our pressure is depriving the Iranian regime of the resources it needs to sustain its tactical operations. I want to close briefly by discussing the broader strategic implications this has for the region. As we increase pressure, we are creating new opportunities for peace and stability in the Middle East.

First, our pressure is aimed at reversing Iran's strategic gains. From roughly 2007 through 2016, Iran was able for a variety of reasons to deepen its support of proxies and entrench itself in regional conflicts without facing negative consequences. Iran does this by letting its proxies do the dying for them in regional wars. The proxies also give the regime plausible deniability, a 40-year fiction this administration refuses to honor. Since taking office, but especially in the last 11 months, this administration has countered Iran's grand strategy. We are imposing costs on the regime for behaving as an outlaw expansionist regime. The regime is weaker today than when we took office two years ago. Its proxies are also weaker. Unless the regime demonstrates a change in policy and behavior, the financial challenges facing Tehran will mount.

Second, as we expose the regime's corruption, economic mismanagement, human rights abuses, arbitrary detention of dual nationals, environmental destruction, and more, we are making the case to countries in the region that Iran is neither a model to emulate nor a partner to follow. Wherever it goes, conflict, misery, and suffering follow. Here are a few examples.

President Rouhani recently visited Iraq, where he seeks to bring – which he seeks to bring under Iranian control. We ask the Iraqi people to consider this: Given how Rouhani treats his own people, just imagine how he will treat you.

The effects of Iran's meddling had been felt most sharply by the region's innocent civilians. Men, women, and children are casualties of Iran's dangerous expansionism almost every day. In Yemen, Iran has helped fuel a humanitarian catastrophe by backing the Houthis. Its support has prolonged the conflict well beyond what makes any sense at all.

In Syria, Iran has (inaudible) and abetted Assad's brutal war machine as that machine has killed hundreds of thousands and displaced millions of civilians. Under the cover of the Syrian war, the IRGC is now trying to plant military roots in Syria and establish a new strategic base to threaten Syria's neighbors such as Israel.

In Lebanon, the Iranian regime's obsession with using Hizballah to provoke conflict with Lebanon's neighbors threatens the safety of the Lebanese people. IRGC backing enables Hizballah to use murder, terrorism, and corruption to intimidate other Lebanese parties and communities.

In Iraq, I can announce today, based on declassified U.S. military reports, that Iran is responsible for the deaths of at least 608 American service members. This accounts for 17 percent of all deaths of U.S. personnel in Iraq from 2003 to 2011. This death toll is in addition to the many thousands of Iraqis killed by the IRGC's proxies.

Third, rolling back Iran's power projection will make it easier to address other regional challenges. Many intellectuals and diplomats over the years have argued that without progress on the Israeli-Palestinian conflict, there can be no progress on other conflicts. This has been referred to by some as linkage – the idea that resolving peace between Israel and the Palestinians was necessary to resolve other flash points.

However, the Middle East of today challenges this theory of linkage. In fact, what we are seeing more and more is a kind of reverse linkage; addressing the threats posed by Iran is a precursor to helping resolve other conflicts.

When we look at the challenges in the region, from the peace process to conflicts in Syria and Yemen, to violence in Bahrain and Iraq, Iran's operations lie at or very near the heart of the problem. It supports Palestinian terror groups like Hamas that undermine the aspirations of the Palestinian people. It exports missiles and terrorist know-how to the Houthis in Yemen, who in turn threaten neighboring countries. It threatens the war – it perpetuates the war in Syria by propping up the Assad regime. Nowhere in the region are peace and prosperity compatible with Iranian influence and support.

The Islamic Republic is linked to these crises in a way that compounds suffering and prevents peace and stability from getting a better footing. Iran can no longer be allowed to play the role of chief spoiler. Our pressure is making it harder than ever before for them to do that.

Secretary Pompeo will continue to use all the tools at our disposal to press the regime to change its destructive policies for the benefit of peace in the region and for the sake of its own people, who are the longest-suffering victims of this regime.

As we have done from the start, we will continue to call on all nations to join us in restoring the basic demands on Iran to behave like a peaceful nation. This include – this includes ending its pursuit of nuclear weapons, stop testing and proliferating ballistic missiles, stop sponsoring terrorist proxies, and halt the arbitrary detention of dual citizens.

As Secretary Pompeo has said, we are prepared to end the principal components of every one of our sanctions against the regime. We are happy to re-establish full diplomatic and commercial ties with Iran. If Iran makes a fundamental shift, as outlined in the Secretary's 12 demands, a lot of good things can happen between the people of Iran and the people of the United States. That includes supporting the modernization and reintegration of the Iranian economy into the international economic system.

Glad to take a few questions. Matt.

QUESTION: Thank you. Are you going to be making an abridged version of this available?

MR HOOK: There will be a fact sheet released after this.

QUESTION: Okay. Thanks. Two things real quick. One, on the money, the 10 billion denied for destructive activities, is it not also the case that no matter how small the amount that Iran might spend, that 10 billion that you've taken away from them could also have been used for things like infrastructure or for disaster relief if –

MR HOOK: Iran had that opportunity back in 2013.

QUESTION: Well, right. But it's 2019 now –

MR HOOK: Right. But --

QUESTION: -- and they're suffering from floods. So that –

MR HOOK: They are suffering from floods because Iran has prioritized its expansionist foreign policy over things like emergency preparedness and water management. I released a video a few weeks ago, before the flooding occurred, talking about how Iran has destroyed its environment. The regime has destroyed its environment, and it has mismanaged its water resources, and it goes through these cycles of drought and flooding.

When this regime came to power, there were about seven ancient dams and 12 modern dams. Over the course of the last 40 years, this regime has built 600 dams. That is just water malpractice, water management malpractice.

QUESTION: Okay. But, I mean, natural disasters happen everywhere. They happen here too. It's not --

MR HOOK: And so they have prioritized all of this – they have prioritized this consistently. People are still recovering from the earthquake in 2017.

QUESTION: Can I – then just the last one briefly. You said on the oil waivers – so you said three of the eight that were – three of the eight are no longer necessary, the ones – the original ones?

MR HOOK: No, I said that three of the eight have gone to zero.

QUESTION: Right. Well, so they don't need waivers then, right? So there's five left?

MR HOOK: That's correct.

QUESTION: There is – there are some people, quite a few actually, who make the argument that you should not give any more waivers, that everything should go to zero, zero means zero, maximum pressure.

MR HOOK: Right.

QUESTION: That concerns about the market and the supply are compensated for or made up for by the Saudis willingness to expand production to cover any – so do you intend to not give any more – to extend – to not extend any of the waivers? Or is that still an open possibility?

MR HOOK: Well, we're still currently under the existing waivers that expire on May 2nd. There will be an announcement on that in due course. We are not looking to grant any exceptions to our campaign of maximum economic pressure. As I've said in my remarks and I've said in other forum, fora, that in 2018 we had a very tight and fragile oil market and the President did not want to

lift the price of oil. We very, I think, carefully and correctly calibrated balancing our national security and economic objectives. 2019 is a much better picture in global oil markets. We forecast more supply than demand. And that creates much better conditions for us to accelerate our path to zero.

QUESTION: Thank you.

MR HOOK: Rich.

QUESTION: Thanks, Brian. So if you've taken off a million and a half a day, you're somewhere south of a million barrels a day? That's where --

MR HOOK: Yeah, approximately. Yeah.

QUESTION: Is there a point -- and I know the intent is to get to zero, but is there a point that the administration sees as a real tipping point that -- is it half a million barrels or somewhere in between that really begins to drive the economic ramifications?

MR HOOK: Well, we already are -- we're doing that now at our current levels. So we have reached that goal of affecting Iran's -- disrupting and making it harder for Iran to sustain its foreign policy. So we're -- this briefing was to talk about the impact. I often get this question -- what kind of impact are you seeing? -- so I thought it'd be useful to provide a comprehensive briefing on what we're seeing and what others are seeing. And we're just getting started.

Michele.

QUESTION: Thank you. Since Secretary Pompeo is hosting this event on captive Americans this afternoon, I wonder if you can tell us if there's been any new effort by the administration to open up a humanitarian dialogue with Iran on the cases of Americans held there in Iran or if you're considering anything punitive, specific sanctions to pressure Iran to release these people.

MR HOOK: Well, I'd refer you to -- I don't want to get in Robert O'Brien's lane. I can tell you that when I did -- this was back when the United States was in the Iran nuclear deal and I attended the last meeting of the joint commission that the United States participated in. I requested a meeting with Iran's deputy foreign minister Abbas Araghchi, and I presented him the names of all the Americans who are being arbitrarily detained. I asked for their release, asked for an update on their condition, and suggested that we do some sort of -- that we start opening the channel. Robert O'Brien has picked that up, and so we are -- he's going to be having some events this afternoon. I'm happy to put Robert in touch with you to give you a more detailed answer.

Nick.

QUESTION: Brian, just two quick ones, one on the oil waivers. So if conditions on May 2nd are what they are today, would you say that conditions are right to bring that to zero? And then second, on the 608 American service members you identified as Iran having been responsible for their deaths, is that -- could you us give more detail on that? What was that classified information that was declassified? And you mentioned 2003 to 2011, so is that -- that's the date frame, time frame for those Americans?

MR HOOK: Yes. That's a Department of Defense statistic. I'm happy to give you more details on it but wanted to release that number.

QUESTION: And on the waivers?

MR HOOK: I already answered the waiver question.

QUESTION: But not – I mean, if today, given the – what you mentioned about the oil market and the fact that it seems to be well supplied and oil prices are relatively low, would you feel comfortable bringing waivers to zero?

MR HOOK: We – because 2019 we forecast more supply than demand, there are better market conditions for us to accelerate our path to zero. We are not looking to grant any waivers or exceptions to our sanctions regime.

Last question for Abbie.

QUESTION: Thank you. You went through a lot of the economic impact of what you're seeing one year after from the sanctions. But what changes in behavior have you seen from Iran as far as their malign activities throughout the world that you have been pointing out for the last year?

MR HOOK: Well, that's what we wanted to highlight today. To some extent I feel like don't take my word for it; the Iranian regime is admitting it at the supreme leader level, the presidential – the level of the president. You've seen the leader of Hizballah make a public appeal for donations. You're seeing reporting in the *New York Times* front page on Friday last week chronicling how the combination of Iran's financial mismanagement plus American sanctions are impeding Iran's ability to fund its proxies and allies at the levels that they are accustomed to. And since Iran does supply Hizballah with 70 percent of its revenue, it is quite significant when you have the leader of Hizballah making a public appeal for money. He's obviously not getting as much as he needs to execute his objectives because, as he's attributed to, American sanctions.

So we think it's very much interest – in the interest of the Iranian people to join this effort of pressure, because we are seeing the results. And there were a lot of people who, when we got out of the deal, who were saying, "Oh, America alone, can you do this? This is going to be very hard without everybody joining you." And I think that that has now been proven wrong. We're only five months into the re-imposition of our sanctions, and we are now already seeing these effects that are being reported by others, not by us.

And so we think, as I said, we share the same threat assessment with so many – with our – with countries in the Middle East, with our European partners. When we were in Warsaw, we saw there – one nice consequence of Iran's foreign policy is that it has brought together Arabs and Israelis in a way that we had not thought possible. And so you saw they have this common threat of Iran's foreign policy, its revolutionary foreign policy, and it is a very urgent matter. And so I remember Prime Minister Netanyahu saying in Warsaw when you see the Arabs and the Israelis agreeing as strongly as they do, you need to pay attention to that. Something very important is happening, and we're seeing it. We've been seeing it for a while, and I just wanted to give you an update on what we're seeing on the ground. Thank you.

MR PALLADINO: All right. Thanks, Brian.

MR HOOK: Thanks.

MR PALLADINO: All right. Hi, everyone.

Something for the top: The United States is deeply concerned by the Government of Burundi's decision to extend indefinitely the suspension of broadcasts by the Voice of America and to revoke the operating license of the British Broadcasting Corporation. This decision raises serious concerns for the freedom of expression enshrined in article 31 of Burundi's constitution as well as for Burundi's international human rights obligations. We call on the government to rescind its decision, and we urge the Government of Burundi to allow all journalists to operate in an environment free from intimidation. A free and independent media is indispensable to a vibrant, functioning democracy and to free and fair elections in 2020.

With that, I'd be happy to take some questions.

QUESTION: You sound subdued for some reason.

MR PALLADINO: Ah, do you want me to sing more, maybe, perhaps?

QUESTION: No. No, you just seemed a little subdued. Can I ask you --

MR PALLADINO: No, I -- don't read into my -- okay, I'll be more casual. Go ahead, Matt, please. (Laughter.)

QUESTION: Can I ask you a -- one logistical question before getting into -- and that is -- the logistical question is: Why is the Secretary not going to the G7 Foreign Ministers Meeting?

MR PALLADINO: The Secretary has full faith in Deputy Secretary of State John Sullivan and his ability to advance America's national security interests at the G7 Foreign Ministers Meeting. In fact, the deputy secretary has previously represented the United States at the G7 Foreign Ministers Meeting, and as you know, beginning today, the Secretary will host all NATO allies for a two-day NATO ministerial. Transatlantic alliances are stronger than ever, and in that same spirit, he'll be sending the deputy secretary.

QUESTION: Right. Well, except that the time that Deputy Secretary Sullivan attended the G7, he was actually the acting secretary of state; he wasn't the -- I mean he was the deputy but was also acting secretary of state. I'm just -- I mean, was there some reason that -- does he have some kind of a conflict? Why -- what's the --

MR PALLADINO: I have nothing to announce on the Secretary's future schedule at this time.

QUESTION: Okay. Can I ask you about the decision -- the President's decision on aid to the Northern Triangle countries, El Salvador, Guatemala, and Honduras? I'm curious to know what kind of decision-making process or planning went into this, and how much money is actually going to be affected. It seems to me -- the President went on at length about this in his meeting with the NATO secretary general, and he said that he understood what the money was for. But this administration has made a big play -- a big push for countries that receive U.S. assistance to agree with or vote with it at the United Nations, et cetera. Both Honduras and Guatemala have signed on to the Lima Group consensus on Interim President Guaido in Venezuela. Guatemala has moved its embassy in Israel to Jerusalem, following the U.S. lead. So what kind of message does this send if they do what you ask them to and then you go ahead and take away money that was supposed to be going to alleviate the very problem that you say they're being punished for?

MR PALLADINO: Right. To answer your question on money, at the Secretary's instruction, we are carrying out the President's direction to end foreign assistance programs for the Northern Triangle. The President's direction to end foreign assistance programs impacts approximately \$450 million in Fiscal Year 2018 allocations. And the State Department along with the United States Agency for International Development currently are evaluating the impact on Fiscal Year 2017 funds. When we have further details to provide on that process moving forward, we'll be sure to let you know.

Regarding the decision itself, the President has made clear that the decision is aimed at securing United States borders and protecting American citizens, and that's something that the Secretary of State is now pursuing. The President has determined that these programs have not effectively prevented illegal immigration from coming to the United States, and they've not achieved the desired results. We -- political will and strong partnership are critical to ensuring the success of any foreign assistance program, and that's something that is true in this regard as well.

QUESTION: How much of this money actually goes to the governments and how much is actually distributed by USAID to NGOs and other groups, civil society groups?

MR PALLADINO: Yeah, I don't have a line item breakdown on distribution. I have the top line Fiscal Year 2018 method. But --

QUESTION: I mean, I think the overwhelming majority of this goes to nongovernmental organizations that are involved in – that run programs designed to reduce the threat. So exactly how is not spending this money or not sending this money securing the U.S. border and protecting Americans?

MR PALLADINO: Well it's clearly – it's not succeeded in stemming this flow.

QUESTION: Okay, so we --

MR PALLADINO: And we have a crisis situation.

QUESTION: Right.

MR PALLADINO: As the Secretary said, the numbers don't lie.

QUESTION: Okay. But --

MR PALLADINO: That must be addressed.

QUESTION: Okay --

MR PALLADINO: And the President has been clear repeatedly that this was something that he was considering, and he's made it clear that foreign assistance should be in support of America's national interests. And our national interests here are quite prioritized, and that is the crisis that we are facing along our border is a national security issue, and that's what we're addressing.

QUESTION: So obviously the – there is some alternative plan in place, other than just taking this money away, right?

MR PALLADINO: I have nothing further to announce today on future United States Government actions.

QUESTION: So you're just telling us that there's no – there's no – you – no one has an idea about how it can be better done or what would work?

MR PALLADINO: I didn't say that. What I said is I have nothing to announce today on future actions. Please.

QUESTION: Follow-up on that?

MR PALLADINO: Go ahead, Lesley.

QUESTION: Robert, as far as I understand, the State Department has to notify Congress of its decision to suspend this aid. Have you done that? And then what happens? Is there a period of time in which you then move forward? Can you just run us through the process, please?

MR PALLADINO: Right. The State Department and U.S. Agency for International Development intend to consult with and notify the Congress regarding the planned reprogramming of funds, and that will be consistent with all applicable requirements.

QUESTION: When will that happen?

MR PALLADINO: We are engaging Congress.

QUESTION: You are engaging?

MR PALLADINO: We are engaging Congress.

QUESTION: So currently the State Department is talking about this plan with Congress?

MR PALLADINO: We are engaging the Congress, and we intend to pursue additional consultations with, and eventually the notification too.

QUESTION: And on the amount, you mentioned you have at least one number, because there have been a number of different amounts reported out there, because some of it might be Fiscal Year '17 money that could have been spent or wasn't spent. Can you break it down as much as you can?

MR PALLADINO: I can't at this point. The process is complicated. And that said, when we have those numbers and further details, we will be able to provide them at that point.

QUESTION: But the number that you have is what? You said you have a --

MR PALLADINO: Fiscal Year 2018, we're able to provide a specific number and that's \$450 million.

QUESTION: Robert?

QUESTION: Iran?

QUESTION: More on aid?

QUESTION: More on aid?

QUESTION: Aid?

MR PALLADINO: Let's go to CBS, please.

QUESTION: Thank you. Can you -- more of explaining, but can you say -- I understand it's reprogramming -- but what the authority is that you're using to do this? Is it just reprogramming, or does it have to do with the clause in the appropriations bill that gives the Secretary oversight for foreign aid to these three countries specifically?

My other question is, obviously, most foreign aid goes through State and USAID but not all of it. There's over 20 government agencies that deal with foreign aid in some form. Will this apply to all that aid, and will this apply to programs for the Millennium Challenge Corporation, which have hundreds of millions of dollars' worth of programs in those three countries?

MR PALLADINO: I don't have any specifics on the second part of your question. Regarding the first part, the funds will be reprogrammed consistent with all applicable requirements regarding congressional consultation and notification. Beyond that, I don't have anything further.

QUESTION: Taiwan?

QUESTION: Turkey?

QUESTION: I have one more on --

MR PALLADINO: One more? Go ahead, Abbie, please.

QUESTION: As I understand it, the law works as such that Congress has to approve that reprogramming. Given the congressional reaction so far, it seems they're not supportive of withdrawing that foreign assistance generally. If Congress insists that the reprogramming that is suggested is not something they support, is the State Department willing to see that money go back to Congress and not be spent?

MR PALLADINO: I don't want to engage in a hypothetical, but what I would say is that the President's decision is clear, and the Secretary of State has ordered us to march forward. We're going to continue to do that, and we intend to consult with and notify Congress as is appropriate.

QUESTION: On the breakdown?

MR PALLADINO: Last one. This is the last one on this subject. I don't have much more. Go ahead.

QUESTION: Can you please talk a little bit about what the President sees as the motivation for those three countries? Does he believe that those Northern Triangle countries are insufficiently committed to the idea of stopping these migrant flows, that they want to stop them, that they have -- but have not been able to? And what do they say in their conversations when the U.S. Government asks why they've been unable to stop these migrant flows?

MR PALLADINO: I don't have anything to report on what they're saying to the White House, if I understand your question correctly here.

QUESTION: Well, I mean, I would assume that some of those conversations would happen through the State Department as well or through the embassies. Were you -- when the President made that threat some time ago to stop aid, there would have then been some sort of conversation where they would say, listen -- I mean, do you have a sense of their intent? Do you believe that they have shown insufficient commitment to the work of stopping these migrant flows?

MR PALLADINO: What I would say is we need these countries to continue making the tough reforms that are necessary. I'll stop there. Let's move on.

Go ahead, Laurie. Please.

QUESTION: Venezuela's foreign minister visited Ankara yesterday, and he was -- and he reiterated Turkey's support, quote, "in all fields for Venezuela," to quote the Turkish foreign minister. What is your comment on that?

MR PALLADINO: I don't actually have anything on that, Laurie, and I am going to have to get back to you. Go ahead.

QUESTION: Okay. I've got another -- I have another one.

QUESTION: (Off-mike.)

MR PALLADINO: Go ahead, please.

QUESTION: Turkey's ruling party is contesting the elections that it --

MR PALLADINO: Yeah.

QUESTION: -- lost, apparently, in Istanbul and Ankara. And do you have any concerns that that contest by the AKP, that challenge by the AKP to the election results, could undermine their integrity?

MR PALLADINO: We're aware of those reports. I would say that free and fair elections are essential for any democracy, and this means acceptance of legitimate election results are essential. And we expect nothing less from Turkey, which has a long, proud tradition in this respect.

QUESTION: Robert --

MR PALLADINO: And to go back to your first question, sometimes our organization is lacking, Laurie. I do have a response to your question, and I apologize.

Regarding the visit itself, I would say that we call on all other governments to recognize Interim President Juan Guaido and to take steps to prevent Maduro from further stealing Venezuela's wealth. Additionally, we urge the international community to hold Maduro and other corrupt actors accountable and to take appropriate actions to end the theft of Venezuela's assets and prevent the travel of Maduro's cronies. Thanks.

QUESTION: And that would include the roughly \$2 billion that Turkey imported from -- of gold that Turkey imported from Venezuela last year?

MR PALLADINO: I don't have anything specific on that specific transaction, but the general principle remains.

Go ahead, Said, please.

QUESTION: Yes, thank you, Robert. Ambassador Dennis Ross, a former official in many administrations, Republican and Democrat, along with his colleague, David Makovsky, wrote a lengthy article in *The Washington Post*, where they're saying that your Golan policy basically invites the Israeli right wing to annex the West Bank and that you ought to do -- make a declaration. Will you make a declaration that the West Bank is occupied territory and is not to be tampered with by whoever -- any group that may annex it?

MR PALLADINO: I --

QUESTION: Do you have any comment on his article?

MR PALLADINO: I haven't read his article, but I can say I'm not going to speak about hypotheticals, and our policy on the West Bank has not changed.

QUESTION: But Ambassador Ross was probably -- was more involved with this process than probably any other official in town, has a long history. He knows what he's talking about. He's saying that next it will be the right-wing groups annexing part of the West Bank. Would you perhaps preemptively -- I don't know, maybe you can say that you should not do this?

MR PALLADINO: Yeah, not going to speak about hypotheticals. I would just say this administration is firmly committed to pursuing a comprehensive peace between the Israelis and the Palestinians, and I have nothing further on this topic.

Go ahead, Shaun, please.

QUESTION: Can we move on to Iran for a bit?

MR PALLADINO: To Iran?

QUESTION: To Iran.

MR PALLADINO: Oh, there wasn't enough at the beginning.

QUESTION: There wasn't enough. (Inaudible.)

MR PALLADINO: Okay, please. (Inaudible.)

QUESTION: Well, one question --

QUESTION: (Inaudible.) (Laughter.) I didn't quite get what Brian was saying.

QUESTION: Well, one part specifically, regarding the Secretary's --

MR PALLADINO: Really? Okay. Okay. (Laughter.)

QUESTION: Regarding the Secretary's --

QUESTION: You don't like Iran, right? That's the --

MR PALLADINO: Please, go ahead, Shaun. Okay.

QUESTION: Regarding the Secretary's statement this morning about the aid -- or about the floods --

MR PALLADINO: Right.

QUESTION: -- he mentioned that the United States was willing to contribute via the Red Crescent. The head of the Iranian Red Crescent is saying that because of the U.S. sanctions, because of the regulations on SWIFT, that the Iranian Red Crescent side actually can't reach funding from the umbrella organization. Iran has also said that helicopters, spare parts in particular, that they don't have access to those. Is the U.S. willing to address those specific concerns in terms of aid? Does the U.S. have a concern that its sanctions overall could be hurting the relief effort?

MR PALLADINO: I guess I would echo what Special Representative Hook said earlier, that the floods demonstrate the level of Iranian regime's mismanagement in urban planning and in emergency preparedness. Furthermore, I would say the United States stands ready to assist and to contribute to the International Federation of the Red Cross and the Red Crescent Societies, which would then direct the money through the Iranian Red Crescent for relief. We stand ready to do that. And I'd point out that we remain the largest donor of humanitarian assistance in the world, and every sanctions regime that we have made makes exceptions for food, for medicine, and for medical devices. I would also point out that the -- this Iranian regime has a history of creating front companies to divert the distribution of humanitarian goods. And financial institutions around the world know of this track record, they know this history of deceiving banks when it comes -- when it comes -- regards to the sale of humanitarian goods.

So the burden is on Iran here to open up its dark economy so that banks around the world have more confidence that when they facilitate a humanitarian transaction, that the humanitarian goods will actually reach the people. And the regime makes it very difficult to facilitate humanitarian goods and services. I'll stop there.

QUESTION: NATO?

QUESTION: (Off-mike.)

QUESTION: Robert, is it the administration's position that all natural disasters everywhere are caused by that government's mismanagement of natural – of emergency preparedness and water management?

MR PALLADINO: Absolutely not. Brian Hook spoke earlier --

QUESTION: Only Iran.

MR PALLADINO: No, please. Brian Hook spoke specifically earlier about the environmental degradation that has been wreaked across the Iranian regime.

QUESTION: Right. No doubt, but natural disasters happen everywhere, including in this country.

MR PALLADINO: And of course. And our --

QUESTION: And it's not always the fault of mismanagement.

MR PALLADINO: And we would never insist that they are. And we have offered our condolences, because at the end of the day here we are extremely sympathetic for the victims of this recent flood. And I'll stop there. Please.

QUESTION: (Off-mike.)

MR PALLADINO: Let's – I'm going to go to CNN. Go ahead.

QUESTION: Okay. So since burden-sharing is on the agenda again, can we expect to hear the same kinds of statements from the administration strongly urging or hounding NATO allies to contribute more, or would you say that given the progress that has been made, the administration is now satisfied with who's on track and who's not?

MR PALLADINO: I don't want to get ahead of the ministerials that are coming, but burden-sharing is definitely a priority for this administration. And where we're on track, we're on track; where we're not on track, you can expect there to be further discussion encouraging more progress on this regard.

QUESTION: How many countries – in the State Department's view, how many countries meet the 2 percent GDP contribution to their defense?

MR PALLADINO: I don't have all the facts in front of me on the statistics in that regard, so I don't want to misspeak at this point.

QUESTION: (Off-mike.)

MR PALLADINO: Let me go to Cindy, please.

QUESTION: Thank you. With the summit about to get underway, how big an issue – the tensions with Turkey over their purchase of the missile defense system from Russia, and what are you hearing from other – do other countries, NATO allies, support the U.S. position on this?

MR PALLADINO: I guess I'd say at the top, if we're talking about NATO in general, this is an old organization that certainly has had challenges previously, things that we've had to work through. It's a pretty resilient organization, and we are – it's the most successful alliance probably in the history of the world, for that matter, and it's something that we continue to take – that remains at the core of our national security and it's something that's being prioritized – will continue to be a priority for the United States.

Regarding the specific sales that you're referencing in regards to Turkey, we've been – no surprise here – we've been pretty clear on these issues for some time right now, and specifically the procurement of the S-400 would put Turkey's continued participation in the 14-nation F-35 program at risk. So what you saw yesterday was the Department of Defense announcement that, as discussions on this matter continue, it would be taking prudent steps to protect the shared investments made by the United States and our allies, including Turkey, in these critical defense technologies. And DOD announced that pending an unequivocal Turkish decision to forgo delivery of the S-400, deliveries and activities with the stand-up of the Turkey F-35 operational capability have been suspended and secondary sources of supply for Turkish produced parts are in development. That was the announcement that they made yesterday.

So again, this is not new. This is something we've spoken about a lot from this – from the State Department, and here we are.

QUESTION: Are you hearing from other NATO allies about what – how they see this – these – this dispute or --

MR PALLADINO: Nothing to disclose from the podium. We'll be taking a look at all kinds of issues that impact NATO's readiness this week.

QUESTION: (Off-mike.)

QUESTION: Robert, it's the same topic.

MR PALLADINO: Okay, let's stay on topic. Go ahead.

QUESTION: Thank you. So Turkish Foreign Minister Mevlut Cavusoglu is arriving in Washington for the summit, and he's expected to meet his American counterpart, Secretary Pompeo. Are they going to talk about this issue, F-35s, and do you know – can you say anything --

MR PALLADINO: I don't have any bilateral meetings to announce today to talk about, but – I'll leave it at that. Please, go ahead.

QUESTION: (Off-mike.)

MR PALLADINO: Janne, please.

QUESTION: Thank you. North Korea. North – yesterday, Secretary Pompeo mentioned optimistically about the U.S.-North Korea talks. Are there any signal that North Korea will resume its summit again?

MR PALLADINO: The Secretary yesterday was basically making clear again that the United States is ready to proceed and nothing further beyond that. I wouldn't read any more into it. Our efforts are ongoing. All right.

QUESTION: (Off-mike.)

QUESTION: One more. If South Korean Government suggested a top-down style for the U.S.-North Korea talk, will the U.S. accept it?

MR PALLADINO: We're in close coordination with our allies – Republic of Korea, as well as Japan – and all future actions are something that we do in close coordination.

Go ahead. Let's go to NHK. Ben, go ahead.

QUESTION: Thank you, Robert. I have two quick questions. The first one is: Could I get a reaction to these two Chinese jets that flew into Taiwan airspace? Taiwan characterized it as reckless and provocative. Do you agree with that characterization?

And then my second question is on Hong Kong. The Hong Kong Government is currently considering revising legislation to allow extradition of criminals to Chinese authorities. Do you have any comment or concern about that?

MR PALLADINO: I haven't seen that specific – or I'll say we're aware of that legislation, and we're going to follow related developments to it closely. I don't have anything further at this point.

Regarding Taiwan, we note Ambassador Bolton's tweet yesterday. And I would add to that that the United States opposes unilateral actions by any party that are aimed at altering the status quo, including anything related to force or coercion. And such unilateral efforts are harmful and do not contribute to regional stability, and they undermine the framework that has enabled peace and stability and development for decades. Beijing should stop its coercive efforts and resume dialogue with the democratically elected administration on Taiwan.

And I'll stop there. Please.

QUESTION: Wouldn't that – wouldn't you say that that policy extends beyond the Taiwan Strait to other places?

MR PALLADINO: I need more specifics. I don't understand the question.

QUESTION: Well, you said the U.S. opposes unilateral actions that affect the status quo. And I'm just wondering, that applies there in the – to the Taiwan Strait, but does it apply elsewhere, say, perhaps the Middle East, where this administration has taken numerous unilateral steps that affect the status quo. And if you apply the same principle, you would, in fact, oppose the steps the administration has taken. Is that not correct?

MR PALLADINO: We – yeah, we've got different fact scenarios and we've got – that we're dealing with, different actors in the region, and we take – we take the world as we find it. We're not looking for – go ahead, Michel, please.

QUESTION: Do you have a comment on the resignation of the Algerian president after 20 years in power?

MR PALLADINO: Yeah, I saw that that was just – just broke. I mean, I'm aware of that. I don't have any specific reaction other than we continue – the United States – questions about how to navigate this transition in Algeria, that is for the Algerian people to decide. And beyond that I don't have anything further at this point.

QUESTION: Robert, India?

MR PALLADINO: Okay, let's go to India, please. Tejinder.

QUESTION: Yes. Do you have any official reaction to India's anti-satellite missile test? As the NASA chief has said, it has called it a terrible, terrible thing to create.

MR PALLADINO: Yeah, we – I think we spoke a little bit about this last week. But as we've said previously, we have a strong strategic partnership with India, and we will continue to pursue shared interests in space, in scientific and technical cooperation with India, and that includes collaboration on safety and security in space.

Now, the issue of space debris, that is an important concern for the United States, and I would say that we took note of the Indian Government's statements that the test was designed to address space debris issues. And I'll stop there. And --

QUESTION: Are you --

MR PALLADINO: Okay, go ahead, Tejinder, please. We need to wrap this up. Go ahead.

QUESTION: Are you sending any kind of any election monitors to the – this general elections in India from (inaudible)?

MR PALLADINO: I'm not aware of anything in that regard. Guys, I'm sorry, but we have to go. I gotta go, gotta go.

QUESTION: (Inaudible). Has Heather Nauert officially – has she ended her role in the State Department officially now?

MR PALLADINO: Heather no longer works for the State Department. She's been a great colleague. Thanks.

(The briefing was concluded at 3:50 p.m.)

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