

February 28, 2020

The Honorable Steven T. Mnuchin
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

The Honorable Michael R. Pompeo
Secretary of State
U.S. Department of State
2201 C Street, NW
Washington, D.C. 20520

Dear Secretaries Mnuchin and Pompeo,

I write to reaffirm my support for the lawful delivery of humanitarian supplies and related items to the Iranian people especially in the wake of the Novel Coronavirus (COVID-19) outbreak in Iran, where there are “the highest reported number of deaths [...] outside China.”¹ I understand that humanitarian items are exempt from United States sanctions, that the Iranian government has the primary responsibility for the health of its citizens, and that a deficient response to the coronavirus outbreak by the Iranian government should not be blamed on the United States or any other foreign power. At the same time, I am concerned about the vulnerability of the Iranian people to the coronavirus and the potential for Iran’s coronavirus cases to worsen the spread of the disease to neighboring countries, including regional allies, and to the rest of the world.

Treasury announced this week an operational humanitarian trade mechanism, but I am concerned that this measure will not be able to change the ongoing climate of reluctance among risk-averse banks and businesses to finance or facilitate humanitarian transactions. Therefore, I seek an assurance that every reasonable effort is being made by the United States to ensure the availability of medicine and other non-sanctionable humanitarian items to the Iranian people to help prevent the further spread of the coronavirus.

The United States withdrew from the Joint Comprehensive Plan of Action (JCPOA) on May 8, 2018 and by November 5, 2018, re-imposed all economic sanctions that were suspended, including secondary sanctions on foreign entities that engage in transactions of goods, services, or other forms of support to Iranian entities designated by the U.S. Department of the Treasury (Treasury Department or Treasury) and on banks that knowingly facilitate a financial transaction on behalf of a designated Iranian entity.² On September 20, 2019, the United States designated

¹ Dan DeLuce, NBC News, “Why is Iran’s reported mortality rate for coronavirus higher than in other countries?” February 27, 2020, <https://www.nbcnews.com/health/health-news/why-iran-s-reported-mortality-rate-coronavirus-higher-other-countries-n1142646>.

² The White House, “Ceasing U.S. Participation in the JCPOA and Taking Additional Action to Counter Iran’s Malign Influence and Deny Iran All Paths to a Nuclear Weapon,” May 8, 2018, <https://www.whitehouse.gov/presidential-actions/ceasing-u-s-participation-jcpoa-taking-additional-action-counter-irans-malign-influence-deny-iran-paths-nuclear-weapon/>; U.S. Department of the Treasury, “Frequently Asked

the Central Bank of Iran (CBI or the Bank) under the counter-terrorism Executive Order (EO) 13224,³ which added to already strict secondary sanctions on the CBI and further restricted foreign entities from knowingly engaging in significant transactions with the Bank. Treasury asserted in this announcement the United States' "long standing policy of allowing for the sale of agricultural commodities, food, medicine and medical devices" and that the Treasury Department would "continue to consider requests related to humanitarian trade with Iran as appropriate."⁴

On October 25, 2019, the Treasury Department announced a new "humanitarian mechanism ... designed solely for the purpose of commercial exports of agricultural commodities, food, medicine, and medical devices to Iran," in which "no revenue or payment of any kind will be transferred to Iran."⁵ Consistent with this effort, on February 27, 2020, Treasury and the Swiss government announced that a "Swiss Humanitarian Trade Arrangement (SHTA) [...] is [...] fully operational."⁶ Treasury noted in its various actions that it "remains committed to the unfettered flow of humanitarian aid to the Iranian people."⁷ On the same day, the Treasury Department issued a new general license⁸ that would provide an exception to the sanctions imposed against the CBI where necessary to facilitate humanitarian trade.

Though these steps would appear on the surface to be sufficient, I am concerned that the limited nature of the exceptions and the fact that trade in general with Iran has been circumscribed by U.S. sanctions may make it difficult for urgently needed medical goods to get to Iran to combat the coronavirus. Iran's health care system appears vulnerable to the threat from the coronavirus. Although information on the outbreak is unfolding in real time, according to reports, "at least 34 people have died in Iran as a result of the virus [...] and 388 people are

Questions Regarding the Re-Imposition of Sanctions Pursuant to the May 8, 2018 National Security Presidential Memorandum Relating to the Joint Comprehensive Plan of Action (JCPOA)," May 8, 2018, https://www.treasury.gov/resource-center/sanctions/programs/documents/jcpoa_winddown_faqs.pdf; The White House, "Statement from the President on the Reimposition of United States Sanctions with Respect to Iran," August 6, 2018, <https://www.whitehouse.gov/briefings-statements/statement-president-reimposition-united-states-sanctions-respect-iran/>; National Defense Authorization Act for Fiscal Year 2013, H.R. 4310, <https://www.congress.gov/bill/112th-congress/house-bill/4310/text?overview=closed&r=1>.

³ U.S. Department of the Treasury, "Treasury Sanctions Iran's Central Bank and National Development Fund," September 20, 2019, <https://home.treasury.gov/news/press-releases/sm780>.

⁴ U.S. Department of the Treasury, "Treasury Sanctions Iran's Central Bank and National Development Fund," September 20, 2019, <https://home.treasury.gov/news/press-releases/sm780>.

⁵ U.S. Department of the Treasury, "Financial Channels to Facilitate Humanitarian Trade with Iran and Related Due Diligence and Reporting Expectations," October 25, 2019, https://www.treasury.gov/resource-center/sanctions/Programs/Documents/iran_humanitarian_20191025.pdf.

⁶ U.S. Department of the Treasury, "United States and Switzerland Finalize the Swiss Humanitarian Trade Arrangement," February 27, 2020, <https://home.treasury.gov/index.php/news/press-releases/sm919>.

⁷ U.S. Department of the Treasury, "United States and Switzerland Finalize the Swiss Humanitarian Trade Arrangement," February 27, 2020, <https://home.treasury.gov/index.php/news/press-releases/sm919>; U.S.

Department of the Treasury, "Treasury and State Announce New Humanitarian Mechanism to Increase Transparency of Permissible Trade Supporting the Iranian People," October 25, 2019, <https://home.treasury.gov/news/press-releases/sm804#:~:targetText=%E2%80%9CIran%20is%20a%20jurisdiction%20of,export%20terrorism%20around%20the%20world>.

⁸ U.S. Department of the Treasury, "General License No. 8 – Authorizing Certain Humanitarian Trade Transactions Involving the Central Bank of Iran," February 27, 2020, https://www.treasury.gov/resource-center/sanctions/Programs/Documents/gtsr_gl8.pdf.

known to have been infected.”⁹ In addition, “[a]mid a shortage of surgical masks and hand sanitizer in shops, public health experts say Iran could become the hub of a major outbreak across the Middle East, especially given its porous borders with unstable countries at war or in turmoil.”¹⁰ Regrettably, reports also suggest that the Iranian government may be mismanaging its response to the coronavirus outbreak.¹¹ Iran’s deputy health minister and one of its Vice Presidents have reportedly contracted the coronavirus; the minister recently “appeared at a news conference looking feverish” and wearing no protective mask while a fellow government official stood alongside him to reassure the Iranian people of the government’s plan to address the outbreak.¹² Secretary of State Pompeo recently expressed concern that “the Iranian regime may have suppressed vital details about the outbreak in that country.”¹³

The coronavirus poses a serious health, diplomatic, and economic threat, and the first priority of the United States government is to protect the American people. Irrespective of the Iranian government’s response to COVID-19 or our disagreements with Iran on other issues, it is in the national security interest of the United States and in the best interest of the Iranian people for the U.S. government to make every reasonable effort to facilitate the lawful delivery of medicine, medical supplies, and other humanitarian items to Iran to counter and contain the spread of the coronavirus in that country. That effort should include working to ensure that the Iranian people have access to masks, gowns, gauze, respirators, and other materials, as well as vital medication and treatment. Some of these items may be covered by existing general licenses but other necessary goods may not. Despite Treasury’s recent announcement of an operational humanitarian mechanism, the public health threat posed by the coronavirus to the Iranian people and the severity of U.S. sanctions on Iran underscore the importance of and need for the Administration to clarify prominently that those sanctions do not prohibit the financing of sales of medical equipment and other humanitarian items. United States sanctions, to the extent practicable, should not hinder such transactions that would assist Iran in combating the disease. Iran relies significantly on imports for certain key medications and other forms of medical treatment.¹⁴

⁹ Adam Taylor, Rick Noack, Miriam Berger, and Michael Brice-Saddler, Washington Post, “Fears grow of a coronavirus pandemic as markets stumble again; Japan shuts schools,” February 27, 2020, <https://www.washingtonpost.com/world/2020/02/27/coronavirus-live-updates/>.

¹⁰ Dan DeLuce, NBC News, “Why is Iran’s reported mortality rate for coronavirus higher than in other countries?” February 27, 2020, <https://www.nbcnews.com/health/health-news/why-iran-s-reported-mortality-rate-coronavirus-higher-other-countries-n1142646>.

¹¹ Mark Mackinnon, Globe and Mail, “In Iran and China, the authoritarian instinct to deny and obfuscate has only aided the spread of coronavirus,” February 26, 2020, <https://www.theglobeandmail.com/world/article-in-iran-and-china-the-authoritarian-instinct-to-deny-and-obfuscate/>.

¹² Dan DeLuce, NBC News, “Why is Iran’s reported mortality rate for coronavirus higher than in other countries?” February 27, 2020, <https://www.nbcnews.com/health/health-news/why-iran-s-reported-mortality-rate-coronavirus-higher-other-countries-n1142646>.

¹³ Tom O’Connor, Newsweek, “Iran warns of ‘enemy plots’ to spread coronavirus fear as U.S. questions official statements,” February 25, 2020, <https://www.newsweek.com/iran-enemy-plot-coronavirus-us-questions-1489049>.

¹⁴ Abbas Kebriaeezadeh, Foreign Policy, “U.S. Sanctions Are Killing Cancer Patients in Iran,” August 14, 2019, <https://foreignpolicy.com/2019/08/14/u-s-sanctions-are-killing-cancer-patients-in-iran/>; Gohar Motevalli and Ladane Nasser, Bloomberg, “Trump’s Sanctions Are Proving a Bitter Pill for Iran’s Sick,” November 20, 2018, <https://www.bloomberg.com/news/articles/2018-11-21/trump-s-sanctions-are-proving-a-bitter-pill-for-iran-s-sick>.

The U.S. Department of State (State Department) recently observed that it is “deeply concerned about the vulnerability of the North Korean people to a coronavirus outbreak” and “strongly support[s] and encourage[s] the work of U.S. and international aid and health organizations to counter and contain the spread of the coronavirus in [North Korea].”¹⁵ This principle can and should apply to Iran as well.

Accordingly, I request a response to the following questions by March 30, 2020:

1. Treasury Department guidance announcing the Swiss Humanitarian Trade Arrangement (SHTA) on February 27, 2020 states that “participating financial institutions commit to conducting enhanced due diligence to ensure that humanitarian goods reach the people of Iran and are not misused by the Iranian regime.”¹⁶ Foreign governments and banks will be able “to seek written confirmation from Treasury and State regarding sanctions compliance.”¹⁷ Since the outbreak of the coronavirus in December 2019, which businesses, financial institutions, or other entities have actually used the license¹⁸ issued pursuant to the SHTA to conduct or facilitate lawful humanitarian transactions with Iran to assist that country with combating this disease? If yes, please identify them and describe the nature of the humanitarian items provided.
2. What specific steps have the Treasury and State Departments, and other relevant agencies, taken to consult with non-governmental organizations (NGOs), companies, and Iranian health care providers, to assess the impact of current U.S. sanctions on the delivery of humanitarian supplies to the Iran to assist that country with combating the coronavirus?
3. Since the U.S. withdrawal from the Iran nuclear agreement and re-imposition of sanctions, have the Treasury and State Departments conducted any diplomatic talks with the government of Iran or other foreign governments – aside from the Swiss government – for the purpose of assisting with the import of humanitarian supplies to Iran to combat the coronavirus?

Thank you for your attention to this matter.

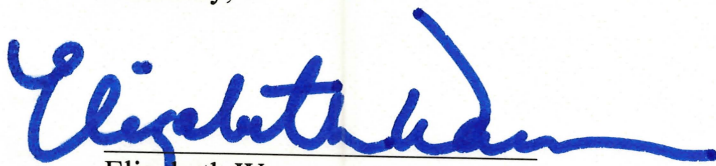
¹⁵ U.S. Department of State, Vulnerability of North Korean People to Coronavirus Outbreak, press statement, February 13, 2020, <https://www.state.gov/vulnerability-of-north-korean-people-to-coronavirus-outbreak/>.

¹⁶ U.S. Department of the Treasury, “United States and Switzerland Finalize the Swiss Humanitarian Trade Arrangement,” February 27, 2020, <https://home.treasury.gov/index.php/news/press-releases/sm919>.

¹⁷ U.S. Department of the Treasury, “Treasury and State Announce New Humanitarian Mechanism to Increase Transparency of Permissible Trade Supporting the Iranian People,” October 25, 2019, <https://home.treasury.gov/news/press-releases/sm804#:~:targetText=%E2%80%9CIran%20is%20a%20jurisdiction%20of,export%20terrorism%20around%20the%20world>.

¹⁸ U.S. Department of the Treasury, “General License No. 8 – Authorizing Certain Humanitarian Trade Transactions Involving the Central Bank of Iran,” February 27, 2020, https://www.treasury.gov/resource-center/sanctions/Programs/Documents/gtsr_gl8.pdf.

Sincerely,

A handwritten signature in blue ink, appearing to read "Elizabeth Warren", with a long horizontal flourish extending to the right.

Elizabeth Warren
United States Senator