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December 12, 2019

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The Honorable Steven T. Mnuchin
Secretary
Department of the Treasury
1500 Pennsylvania Ave, NW
Washington, DC 20220

Dear Secretary Mnuchin,

We are writing to express our deep concern over sanctions levied on Iran by the Administration that are causing shortages in medicine, particularly for pediatric cancer patients and those with other chronic, advanced, or rare diseases. The Administration's "maximum pressure" campaign, targeted at crippling Iranian leadership with economic sanctions, is having collective and punitive effects on ordinary Iranian citizens.

While the Administration has stated that humanitarian supplies, like medicine, are exempt from sanctions, we are concerned by reports that indicate otherwise. Blanket U.S. sanctions conflict with humanitarian exemptions; the broad nature of these sanctions, particularly the designation of Iran's Central Bank under terror authorities, undermines long-standing bipartisan support for ensuring humanitarian trade is not impacted by sanctions. Foreign banks and medical companies are deterred from doing business with Iran out of fear of being penalized or having secondary sanctions levied against them by the Department of Treasury. U.S. sanctions have led to medicine and medical equipment shortages and have put vital medication and treatment out of reach for Iranians.

In October 2018, the United Nations International Court of Justice (ICJ), pending its final ruling of alleged violations of the Treaty of Amity of 1955, found that these sanctions unilaterally re-imposed by the U.S. after withdrawing from the Joint Comprehensive Plan of Action (JCPOA) in May 2018 may have "a serious detrimental impact on the health and lives of individuals on the territory of Iran."

The strategy of economic warfare against Iran is causing undue suffering to the country's most vulnerable communities. Those who are especially impacted include tens of thousands of patients diagnosed with multiple sclerosis, hemophilia, HIV/AIDS, epilepsy, or cancers, such as Leukemia, which is the leading form of childhood cancer in Iran. Sanctions are having devastating ramifications for these patients whose medications and treatment rely heavily on imports.

While Iran produces about 97% of its medicine domestically, it relies on imports from several countries for the remaining 3%. This 3% is crucial to Iran's healthcare system, as it consists of vastly more costly, specialized drugs for cancers and rare diseases that are unavailable domestically. Sanctions also severely limit Iran's ability to import raw materials that drugs for cancer treatment depend upon. Furthermore,

hospitals are struggling to access medical equipment that is crucial to chemotherapy and radiation treatments, leading to interruptions in patient care, and ultimately, to a decrease in cancer survival rates. There have also been reports of burgeoning black-market drug activity that offers unreliable, low-quality, and potentially dangerous alternatives to desperate patients.

On October 25, 2019, the Department of Treasury announced a new “humanitarian mechanism” to allow medicine imports into Iran. However, this was coupled by the designation of Iran as a “primary money laundering concern” under Section 311 of the USA Patriot Act. This action renders the “humanitarian mechanism” insufficient, as it creates rigorous conditions for foreign bank participation with regard to humanitarian trade, requiring them to abide by “enhanced due diligence and provide to Treasury a substantial and unprecedented amount of information.” It is highly unlikely that banks will voluntarily subject themselves to the new conditions necessary to participate in humanitarian trade with Iran, which were previously exempted by general license. In fact, foreign banks have cautioned against designating Iran under Section 311, as it would impel them to stop processing humanitarian business altogether. The likely outcome of this “channel” is only to further limit Iranians from accessing crucial medical supplies.

Considering this recent announcement, and of the concerns detailed above, we kindly request a response to the following questions regarding the sanctions policy and its implementation:

1. Has the Treasury department developed and distributed clear guidance for businesses on the new humanitarian mechanism?
 - a. If so, we request that such guidance be made public. If not, we urge you to develop and publish guidance promptly to address overcompliance on the part of companies who fear secondary sanctions.
 - b. What other resources are available at the Office of Foreign Assets Control (OFAC) to assist both US and non-US banks and companies as well as NGOs and charity groups in navigating the sanctions compliance requirements?
2. What mechanisms are in place at the Treasury department to monitor and evaluate the efficacy of the sanctions program and its impact on the import of humanitarian goods?
3. What specific steps has the Treasury department, in coordination with the State Department, taken to consult with nongovernmental organizations, companies, and Iranian healthcare providers, to assess the impact of US sanctions on humanitarian needs?
4. Since November 2018, how many special licenses has the OFAC issued for humanitarian transfers and for medicine and medical equipment to Iran? What is the average processing time for issuing such licenses?
5. Since Nov. 2018, how many licenses has the OFAC issued for projects or activities designed to directly benefit the Iranian people? And what is the average processing time for issuing such license?
6. Which agencies were involved in the decision to designate the CBI and mandate new reporting requirements on humanitarian trade? Were concerns raised that these decisions would undermine long-standing humanitarian exemptions under Iran sanctions, and complicate the provision of food and medicine to the Iranian people?

We strongly urge the Administration to conduct a sweeping review of its sanctions campaign against Iran and identify and implement the necessary adjustments required to fulfill responsibilities under

international law, as ordered by the ICJ in October 2018, to protect the Iranian people's right to health. While the efficacy of sanctions is questionable, we also urge the OFAC to expand the list of medical supplies that international suppliers are eligible to trade with Iran, especially for cancer and other chronic, advanced, or rare diseases. Considering the ongoing protests in Iran, and the Iranian government's shutdown of internet services, we also see a clear need to expand General License D-1 so that the United States is not taking any actions that help the Iranian government block outside communications.

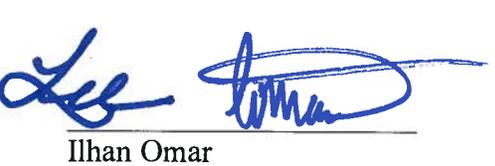
The Administration's sanctions campaign is in direct contradiction with the stated overarching goal of supporting the human rights of the Iranian people and their aspirations for democracy and freedom. It should be made a priority to remedy the adverse consequences of these sanctions to ensure that Iranians have the basic human right of access to quality, affordable medicine.

Thank you for your attention and consideration of this matter.

Sincerely,


Raúl M. Grijalva
Member of Congress


Barbara Lee
Member of Congress


Ilhan Omar
Member of Congress


Earl Blumenauer
Member of Congress

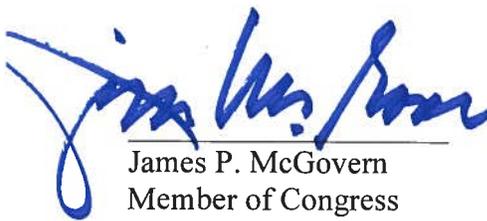

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