

## **Peace Corps Iran Association calls for Sanctions Relief and Banking Modifications for Humanitarian Support for Iran**

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We, as members of the Peace Corps Iran Association, believe that COVID-19 is a worldwide public health crisis unlike any since 1918. For Iran, however, this health crisis is also becoming a humanitarian crisis of unprecedented scale. The humanitarian crisis is one that the US is deeply involved with causing through the maximum pressure campaign of sanctions and banking regulations. Accordingly, the US also has the power to significantly mitigate the impact of the crisis through quick and targeted political and economic actions.

Sanctions, that were largely lifted after the 2015 JCPOA and then re-imposed even more harshly in 2018, have been effective in creating severe economic hardship in Iran, as intended by the Administration.

However, sanctions often have unintended consequences. Direct and secondary sanctions on Iranian banking and commerce effectively prevent Iran from procuring with its own funds vital medical supplies and equipment required to respond to the COVID-19 pandemic. In Iran today US sanctions are contributing to a humanitarian disaster of 1918 proportions.

We add our voice to those of many others to request that the Treasury and State Departments and the Senate and House do everything in their power to immediately modify sanctions. We support and urge their action on the five action steps advocated by American and European former senior diplomats, health officials, and sanctions experts in their letter of April 6, 2020 from the Iran Project and the European Leadership Network (ELN):

1. Expand the scope of humanitarian exemptions under U.S. sanctions to directly include devices and equipment necessary to effectively combat COVID-19.
2. Add staffing and other resources at the US Office of Foreign Assets Control (OFAC) to speed-up the licensing process.
3. Issue comfort letters to European and other non-US banks, as well as for as many entities in the value chain as possible – such as manufacturers, shippers, and insurers – that already are conducting enhanced due diligence, in order to reassure them that they will not run afoul of OFAC if they provide a function for humanitarian trade with Iran.
4. Offer regular updates on the operationalization of the US-sponsored Swiss Humanitarian Trade Arrangement (SHTA) and relax its stringent reporting requirements, which are a significant disincentive to any Swiss companies that might consider making use of the SHTA.
5. Express support for humanitarian trade as facilitated through the Instrument in Support of Trade Exchanges (INSTEX) as an alternative mechanism for Europe to conduct humanitarian trade with Iran.

We further support the additional longer-term measures recommended by the Iran Project and ELN:

6. Make clear to countries that were granted waivers to continue purchases of Iranian oil and that as a result are now holding significant amounts of Iranian money in escrow that those funds can be used to pay for humanitarian exports to Iran.
7. Provide funding to the World Health Organization (WHO) to enable further deliveries of aid and technical assistance to Iran.
8. Do not interfere if the International Monetary Fund (IMF) board votes in favor of providing Iran with requested emergency financing. A loan from the IMF would help Iran address its balance of payments crisis and pay for imported medical equipment.

Iran must be enabled to self-finance a robust response to the COVID-19 crisis. American actions which severely hamper that effort will be rightly condemned. It is not only in America's self interest to facilitate the containment of this pandemic in Iran and other hard-hit corners of our planet, but it is also the right thing to do.

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*Between 1962 and 1976 over 1,700 Peace Corps Volunteers served in Iran. The Peace Corps Iran Association is composed of former PC Iran volunteers, staff and friends who share a commitment to promoting diplomacy and better relations between the Iranian and American people.*

The Iran Project operates under the auspices of the nonprofit The Foundation for a Civil Society. For two decades its team of retired diplomats and foreign policy experts has worked to address broader U.S.-Iranian tensions, improve dialogue between our two countries, and find a balanced, objective, and bipartisan approach to prevent Iran from acquiring a nuclear weapon.

*The European Leadership Network (ELN) is an independent, non-partisan, pan-European NGO with a network of nearly 200 past, present and future European leaders working to provide practical real-world solutions to political and security challenges.*

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