



August 20, 2012

Gottfried Leibbrandt  
Chief Executive Officer  
Society for Worldwide Interbank Financial Telecommunication (SWIFT)  
Avenue Adele 1  
B-1310 La Hulpe  
Belgium

*Re: Processing SWIFT Messages for financial transactions Relating to Humanitarian Trade with Iran*

Dear Mr. Leibbrandt:

USA\*ENGAGE and The National Foreign Trade Council collectively represent numerous U.S. manufacturers and exporters across many industrial sectors, as well as several financial institutions. A number of our members engage in humanitarian trade with Iran.

U.S., EU and UN policy is clear regarding such trade. Articles 7 and 21 of EU Council Regulations No. 961/2010 (October 25, 2010) call on Member States to implement appropriate procedures authorizing exports of humanitarian goods (including related payments) destined for Iran; and United Nations Security Council Resolution 1929 (June 9, 2010), in Annex IV, proposes policies for humanitarian exports to the people of Iran.

In the United States, the provision for licensed humanitarian trade is a long established policy embodied in the Trade Sanctions Reform Act of 2000 (TSRA), specifically reinforced in the Comprehensive Iran Sanctions Accountability and Divestment Act of 2010 (CISADA), specifically protected in the National Defense Authorization Act of 2012 (NDAA), and endorsed again in the Iran Threat Reduction and Syria Human Rights Act of 2012, just signed into law.

Our members export humanitarian goods to Iran under specific and general licenses issued by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") and receive payment, through general or specific licenses, from permissible financial institutions. Payments for licensed exports to Iran, pursuant to OFAC's Iranian Transactions Regulations, 31 C.F.R. Part 560, which may originate in Iran, must be routed through third-country (neither Iranian nor U.S.) financial institutions. These financial institutions rely on SWIFT messaging through which to communicate these and other financial transactions.

We understand that, consistent with a European Union Council Decision, SWIFT recently stopped processing messages for financial institutions listed as EU-sanctioned parties.<sup>1</sup> Our members also do not engage in transactions involving (including the receipt of funds originating from) entities designated under comparable U.S. laws and regulations.

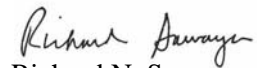
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<sup>1</sup> See [http://www.swift.com/news/press\\_releases/SWIFT\\_disconnect\\_Iranian\\_banks](http://www.swift.com/news/press_releases/SWIFT_disconnect_Iranian_banks).

Also like the U.S. Department of the Treasury, we and our members distinguish designated entities from other permissible financial institutions in Iran. Consistent with General Licenses A and B (February 6, 2012), our members continue to accept payment for licensed humanitarian exports from certain banks in Iran now identified on OFAC's Specially Designated Nationals (SDN) list with the symbol [IRAN]. Our members do not accept unauthorized payments from financial institutions identified as SDNs because of their links to global terrorism or the proliferation of weapons of mass destruction. OFAC's SDN list identifies these prohibited entities with the symbols [SDGT] and [NPWMD], respectively.

We encourage SWIFT to continue to distinguish between policy objectives denying prohibited financial institutions access to traditional banking systems from those encouraging humanitarian trade and related financial payments through permissible financial institutions in Iran. To this end, we request that SWIFT continue to process messages involving non-European Union-designated banks in Iran.

Yours sincerely,



Richard N. Sawaya  
Director, USA\*ENGAGE