

June 23, 2017

Bipartisan House Letter to Treasury Secretary: Urge Re-imposition of FATF Countermeasures

On June 16, Reps. Kyrsten Sinema (D-AZ) and David Kustoff (R-TN) sent a bipartisan letter to Treasury Secretary Steven Mnuchin urging the United States to push for the re-imposition of countermeasures against Iran at the Financial Action Task Force (FATF) Plenary. “It is now clear that Iran—the world’s leading sponsor of terrorism—has not made substantive efforts to stop its money laundering activities or to cut off its support for their major terrorist proxies, including Hezbollah, Hamas and Palestinian Islamic Jihad,” states the letter. “Iran’s Action Plan was flawed from the beginning, since Iran does not view its funding for Hamas and Hezbollah as funding terrorism.” FATF is the international organization responsible for legal and regulatory guidelines on anti-money laundering and counter-terrorist financing. Until June 2016, Iran had been on a FATF blacklist—and subject to countermeasures—due to its terrorist financing and deficiencies in combatting money laundering. FATF suspended these countermeasures last June for a 12-month period, when Iran submitted an action plan designed to address some of these issues. During its plenary meeting this month, the international financial watchdog must decide whether to continue the suspension of countermeasures against Iran, or allow for their re-imposition.