

Congress of the United States

Washington, DC 20510

February 10, 2023

The Honorable Joseph R. Biden
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.

Dear President Biden:

We request that the U.S. review its policy towards Iraq, especially as its government continues to align with the Iranian regime. Any holistic U.S. policy toward Iran must also simultaneously address Iraq as it is becoming a client state of Iran rather than continuing to pretend it is a healthy democracy. For example, in January 2023, Iraq's Prime Minister, Mohammed Shia al-Sudani, and his government held ceremonies across Iraq, including inside parliament, commemorating the deaths of the Iranian Revolutionary Guards Corps (IRGC) Quds Force Commander Qassim Soleimani, and his partner, Abu Mahdi al-Muhandis, the head of Iraq's Popular Mobilization Forces (PMF).

We are pleased that the U.S. Treasury Department's pressure resulted in the implementation of long-overdue oversight on U.S. banknote transfers, which helps prevent some of Iraq's banks from serving as fronts for IRGC money laundering. These efforts were a good first step, but much more is needed to prevent further transfers that benefit Iran, the IRGC, and certain Iraqi militias.

The Iranian people continue to suffer as they revolt against the brutal terrorist Iranian Regime. At the same time, Iran is using Iraq's government and financial system to weather international economic sanctions. A clear-eyed policy for confronting Iran thus must directly confront its significant influence and control in Iraq.

Now is the time for the United States to clearly communicate to the Iraqi government the consequences of its alignment with Iran. This policy must acknowledge the reality of Iranian influence and should not continue to provide banknotes to Iraq's banking system or grant sanctions waivers that prevent Iraqi independence and enable further Iran-backed corruption.

The U.S. must also refocus its efforts with the Iraqi government so that one of our most reliable partners, the Kurdistan Region, does not continue to bear the costs while receiving none of the benefits from an Iraqi federal system that the U.S. was instrumental in designing and implementing.

Finally, effectively confronting Iran's exploitation of Iraq's political, legal, and military institutions will require designating some of Iran's most loyal Iraqi officials with significant and long-overdue sanctions for gross human rights violations, corruption, and support for terrorism. Anything less will continue to erode regional security, and the prosperity of the Iraqi people.

As members of the Republican Study Committee and House Foreign Affairs Committee, we are committed to confronting malign Iranian behavior and its influence over Iraq's economy and institutions. We request answers to the following questions as your administration meets with Iraq's Foreign Minister and Prime Minister this week. We expect answers to these questions no later than Friday, February 24th, at 5:00 PM.

- Have the State or Treasury Departments has determined whether Faiq Zaydan, the President of the Iraqi Supreme Judicial Council, meets the criteria for sanctions for gross human rights, acting as a foreign agent, corruption, and material support as defined by the Global Magnitsky Act and E.O. 13818.
- What is the status of sanction packages for terrorism and/or corruption against former Prime Minister Nouri al-Maliki?
- How will the U.S. ensure Iraq's government protects the Constitutional rights of the Kurdistan Region, particularly in the face of an Iran-aligned and unconstitutionally formed Federal Supreme Court that reportedly takes direction from the IRGC-QF?¹ How will the U.S. government demand an Iraqi budget that affords Constitutional protections to the Kurdistan Region?
- How will the U.S. protect U.S.-financed energy investments in the Kurdistan Region? Currently the largest U.S. commercial investments in Iraq are in the Kurdistan Region, which are essential for the Region's self-sustaining revenue. These investments are under threat by Iran and the Iraqi government.
- How will the U.S. ensure Iraq's government supports all of its military forces to include the Kurdish Peshmerga, and stops funding designated terrorist groups?
- The U.S. has provided funding for reconnaissance drones and military equipment for the Kurdish Ministry of Peshmerga Affairs forces, but the Iraqi Ministry of Defense continues to block its delivery.² How will the U.S. ensure the Kurdistan Region receives Congressionally appropriated equipment and capabilities?
- The Iraqi Prime Minister reinstalled the former Governor of the Central Bank who previously oversaw Iraq's banking system, which, with the benefit of U.S. banknote transfers, served as a money laundering front for Iran. Has the U.S. Department of State and Department of Treasury determined whether Muhsen Al-Allaq meets the criteria for sanctions under the Global Magnitsky Act?
- Has the Department of State determined that any members of Iraq's government and members of the visiting delegation, including its Central Bank Governor and the Chief Justice, meet the criteria to be banned of a visa under Sec. 7031(c) of the 2019 Department of State, Foreign Operations, and Related Programs Appropriations Act (SFOPs; P.L. 116-6; 8 U.S.C. 1182), which makes foreign officials and their immediate family members ineligible for U.S. entry if there is credible evidence that such individuals "have been involved in significant corruption, including corruption related to the extraction of natural resources, or a gross violation of human rights?"

¹ <https://www.iraq-businessnews.com/2022/08/04/iraqs-two-coups-and-how-the-u-s-should-respond/>

² https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2022/FY2022_CTEF_J-Book.pdf

- Continuous sanctions waivers for the Trade Bank of Iraq have not spurred significant improvement in Iraq's electricity and gas sector or reversed energy dependency on Iran. How will the U.S. more effectively evaluate sanctions waivers to reduce Iraq's dependence on Iranian energy?
- What measures is the U.S. is taking to prevent Iraq's Ministry of Oil from engaging in commercial cooperation with the U.S.-designated Iranian Ministry of Petroleum, and Iraq's own designated militias including Asa'ib Ahl al-Haq, Kata'ib Hezbollah, and Kata'ib Imam Ali?
- What measures are the Department of the Treasury and the Federal Reserve taking to verify that its current U.S. banknote transfers do not directly or indirectly benefit Iran and its proxies, including through the Iraqi Central Banks cash sales and support for dollar-denominated wire transfers? Has there been a legal determination for the dollar transfers while the Iraqi Ministry of Finance continues to financially support Iran-aligned militias, including those designated as terrorist organizations by the U.S.?
- What measures the U.S. is taking to prevent the appointment of senior Iraqi officials affiliated with designated terrorist organizations including Iraq's Ministry of Higher Education, the Ministry of Electricity, the Ministry of Defense, and Iraqi Intelligence Services?
- What actions has the U.S. taken to Implement the FY2023 National Defense Authorization Act provision that prevents the U.S. Department of Defense from providing support to any Iraqi institution that directly or indirectly supports the Badr Corps? How has this changed the U.S. support for Iraq's Minister of Interior?

Thank you for your attention to this important manner.

Sincerely,



Michael Waltz
Member of Congress



Kevin Hern
Member of Congress



Joe Wilson
Member of Congress