Biden, Congress Should Defend Terrorism Sanctions Imposed on Iran

By Richard Goldberg, Saeed Ghasseminejad, Behnam Ben Taleblu, Matthew Zweig, and Mark Dubowitz

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During a Senate Foreign Relations Committee hearing to consider Antony Blinken’s nomination for secretary of state, Blinken was asked whether he believed it is in America’s national security interest to lift terrorism sanctions currently imposed on Iran, including sanctions targeting Iran's central bank, national oil company, financial sector, and energy sector. “I do not,” Blinken responded. “And I think there is nothing, as I see it, inconsistent with making sure that we are doing everything possible – including the toughest possible sanctions, to deal with Iranian support for terrorism.”

Bipartisan support for terrorism sanctions targeting Iran goes back to 1984, when the United States first designated the Islamic Republic as a State Sponsor of Terrorism. Since then, every U.S. president⁵ – Republican or Democrat – and Congress have taken steps to reaffirm U.S. policy opposing Iran's sponsorship of terrorism and tying sanctions relief to Iran's cessation of terror-related activities.

President Joe Biden has pledged to rejoin the 2015 Iran nuclear deal, formally known as the Joint Comprehensive Plan of Action (JCPOA), if Iran returns to “strict compliance” with the agreement.³ Terrorism sanctions on Iran, however, should not be lifted, even if the Biden administration opts to return to the deal, unless and until Iran verifiably halts its sponsorship of terrorism.

This memorandum provides an overview of Iran's past and ongoing involvement in terrorism-related activities, a review of longstanding bipartisan congressional support for terrorism sanctions on Iran, and a list of terrorism sanctions currently imposed on Iran that should not be lifted.

**Iran’s Sponsorship of Terrorism**

In its latest annual country report on terrorism, the Department of State reaffirmed Iran’s wide range of terror-related activities. Hezbollah, a designated foreign terrorist organization since 1997, remains Iran’s “primary terrorist

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proxy group.” The Islamic Republic also provides support to a number of Palestinian terrorist groups, including Hamas, Palestine Islamic Jihad, and the Popular Front for the Liberation of Palestine-General Command.⁴

According to State, Iran uses the Islamic Revolutionary Guard Corps-Quds Force (IRGC-QF) “to provide support to terrorist organizations, provide cover for associated covert operations, and create instability in the region.” The IRGC-QF moves weapons to Hezbollah through Iraq and Syria⁵ while providing arms and training for Yemen-based terrorist attacks by the Houthis. Iran has also plotted attacks against dissidents on European soil, including in Denmark, France, the Netherlands, Belgium, and Albania.⁶

Over the years, Iran has sponsored several high-profile terrorist attacks targeting Americans and Jews, including the bombing of the U.S. Embassy and Marine barracks in Beirut (1983), the Jewish community center of Buenos Aires (1994), and the Khobar Towers in Saudi Arabia (1996). Iran’s chief proxy, Lebanese Hezbollah, was behind a 2012 bus bombing that killed five Israeli civilians and one Bulgarian in Burgas, Bulgaria.⁷ According to the U.S. Department of Defense, the IRGC is responsible for the murders of at least 603 U.S. troops in Iraq.⁸

The State Department also reports that “Iran has allowed [al-Qaeda] facilitators to operate a core facilitation pipeline through Iran since at least 2009, enabling [al-Qaeda] to move funds and fighters to South Asia and Syria.”⁹ The department recently announced a reward for information that brings to justice Iran-based al-Qaeda leader Muhammad Abbatay.¹⁰

**Congressional Support for Terrorism Sanctions on Iran**

Just weeks after an Iran-sponsored terrorist attack on a U.S. military complex in Saudi Arabia in 1996, President Bill Clinton signed the Iran Libya Sanctions Act (ILSA) into law.¹¹ In 2010, President Barack Obama signed the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA) into law.¹² Both ILSA and CISADA specifically tied their termination criteria to Iran’s cessation of terrorism sponsorship – and both received overwhelming bipartisan support in both chambers of Congress.

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In 2015, following the Obama administration’s negotiation of the JCPOA, the House and Senate passed the Hizballah International Financing Prevention Act without opposition. Though the bill mandated sanctions on the financial and logistics networks of Iran’s largest terrorist proxy, Obama signed it into law.\textsuperscript{13}

In 2017, the House passed the Countering America’s Adversaries Through Sanctions Act by a vote of 419-3.\textsuperscript{14} No House Democrat voted against the legislation, which mandated sanctions on entities connected to the IRGC and compelled the Trump administration to designate the IRGC as a terrorist entity.\textsuperscript{15} The legislation cleared the Senate by a vote of 98-2.\textsuperscript{16} An earlier Senate version, the Countering Iran’s Destabilizing Activities Act of 2017, chiefly co-sponsored by Senator Robert Menendez (D-NJ), passed by the same margin.\textsuperscript{17} Notably, these votes took place while the United States remained a participant in the JCPOA.

In 2018, despite disagreements in Congress over the Trump administration’s decision to cease America’s participation in the JCPOA, the House and Senate passed the Hizballah International Financing Prevention Amendments Act by unanimous consent – further ensnaring Iran’s terror-finance channels to Hezbollah in a web of mandatory U.S. sanctions.\textsuperscript{18}

\textbf{Why Terrorism Sanctions on Iran Matter Today}

Understanding the historical role Congress played in enacting and overseeing the implementation of terrorism sanctions on Iran and its proxies is increasingly important today as Biden pledges to rejoin the JCPOA if Iran returns to its commitments under the agreement – a pledge made notwithstanding the fact that the deal has already begun to expire and that Iran is under investigation for concealing undeclared nuclear activities.\textsuperscript{19}

Congress should send a bipartisan message to the Biden administration that regardless of where members may stand on the JCPOA, the overwhelming majority agrees that no terrorism-sanctions relief should be provided to Iran. Such a policy stance would be in line with Blinken’s testimony before the Senate Foreign Relations Committee and a previous commitment he made during the 2020 campaign: “[W]e will continue non-nuclear sanctions as a strong

hedge against Iranian misbehavior in other areas.” Indeed, the Obama White House itself pledged that under the JCPOA, “non-nuclear sanctions (such as for terrorism) must remain in effect and be vigorously enforced.”

During the debate over the JCPOA in 2015, the Obama administration referred to the sanctions relief provided to Iran under the agreement as “nuclear sanctions” – using the ambiguity of congressionally enacted sanctions to deliver broad sanctions relief to Iran. In 2021, however, this sleight of hand is no longer possible. While the Treasury and State departments have designated entities connected to Iran’s nuclear program under Executive Order 13382 (relating to weapons of mass destruction), they have also specifically designated key sectors, entities, and individuals in Iran based on non-nuclear conduct – whether for involvement in missiles, human rights violations, or terrorism – including designations made pursuant to Executive Order 13224 (relating to terrorism).

This memorandum includes specific details and lists of sectors, entities, and individuals currently subject to U.S. sanctions because of their connection to Iran’s sponsorship of terrorism and/or the IRGC. Any sanctions relief provided to Iran that benefits these sectors or entities would constitute terrorism-sanctions relief and would not be in America’s national security interest.

**Sectors of Iran's Economy Connected to the IRGC and/or Terrorism**

Several sectors of Iran's economy are permeated by the IRGC and/or help finance Iran's sponsorship of terrorism. Any sanctions relief provided to these sectors – including the rescission of executive orders, the removal of sector designations, or the issuance of national security waivers pursuant to various Iran sanctions laws – would provide direct budgetary assistance to the IRGC and/or to Iran's sponsorship of terrorism.

- **Financial Sector:** In late 2019, the Financial Crimes Enforcement Network issued a final rule under Section 311 of the PATRIOT ACT declaring Iran's financial sector to be a primary jurisdiction of money laundering concern – particularly for terror finance. A draft rule issued during the Obama administration also referenced terrorism and Iran's support for Hezbollah. The Central Bank of Iran and many other Iranian banks are

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sanctioned due to their support for terrorism.\textsuperscript{25} The international Financial Action Task Force has also imposed countermeasures on Iran's financial sector for its involvement in financing terrorism.\textsuperscript{26} Iran's financial sector is subject to sanctions pursuant to Executive Order 13902 as of October 8, 2020.\textsuperscript{27}

- **Energy Sector:** Iran's energy sector has been the target of U.S. sanctions since the 1990s. The IRGC owns and controls companies in the energy sector.\textsuperscript{28} The National Iranian Oil Company, the National Iranian Tanker Company, Iran's Ministry of Petroleum, and the National Petrochemical Company are sanctioned under terrorism authorities. The IRGC's Khatam-al-Anbia Construction Headquarters (KAA), the largest construction firm in the country, is deeply involved in energy sector projects.\textsuperscript{29} Sanctions targeting Iran's energy sector include the Iran Sanctions Act,\textsuperscript{30} Section 1245 of the National Defense Authorization Act for Fiscal Year 2012,\textsuperscript{31} the Iran Threat Reduction and Syria Human Rights Act,\textsuperscript{32} the Iran Freedom and Counterproliferation Act,\textsuperscript{33} and Executive Order 13846.\textsuperscript{34}

- **Construction Sector:** The IRGC is deeply involved in the construction sector.\textsuperscript{35} The IRGC’s KAA is the sector's largest contractor and has engaged in a diverse array of construction activities abroad.\textsuperscript{36} In addition, the IRGC owns other firms in the sector and considerable real estate assets. Iran's construction sector is subject to sanctions pursuant to Executive Order 13902.\textsuperscript{37}

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• **Mining, Mineral, and Industrial Metals Sectors:** The IRGC has a significant presence in the mining and industrial metals sectors. The IRGC owns firms that are active in mining and processing metals. Several IRGC-owned mining and metal processing companies are currently subject to sanctions. Iran’s metals and mining sectors are subject to sanctions pursuant to Executive Order 13871 and Executive Order 13902.

• **Automotive Sector:** The IRGC continues to be involved in the automotive sector through cooperation with carmakers in developing technology and producing parts. In December 2019, Iran’s Ministry of Defense and Armed Forces Logistics (MODAFL), which is under U.S. sanctions for its support for terrorist groups, signed a deal with SAIPA (an Iranian automaker) to support the production of automobile parts. SAIPA’s CEO reportedly said, “With [the] Defense Ministry’s help, domestic substitutes for 35 key auto parts are to be produced in Iran to curb the industry’s reliance on the global supply chain.” Iran Khodro (another Iranian automaker, branded as IKCO) also inked agreements with eight MODAFL-linked entities that same month. In November 2020, SAIPA announced it was implementing projects in collaboration with sanctioned entities, including MODAFL and the IRGC Aerospace Force (which oversees Iran’s ballistic missile arsenal). Iran’s automotive sector is subject to sanctions pursuant to Executive Order 13846.

• **Petrochemical Sector:** The IRGC and the Iranian military are significant players in the petrochemical sector. Military insurance and social security funds own large petrochemical companies, and the IRGC’s KAA is active in building petrochemical plants. In June 2019, Treasury designated Iran’s Persian Gulf Petrochemical Industries Company for providing financial support to KAA. Iran’s petrochemical sector is subject to sanctions pursuant to Executive Order 13846.

**Entities in Iran Connected to the IRGC and/or Terrorism**

As of January 19, 2021, more than 300 Iran-connected companies, institutions, and individuals were sanctioned explicitly for their support for terrorism and/or for being owned and/or controlled by the IRGC. Sanctions relief of any form that provides benefits to these entities and individuals – including removal from the Specially Designated Nationals and Blocked Persons List, granting general licenses, or issuing national security waivers pursuant to various Iran sanctions laws – would provide direct budgetary assistance to the IRGC and to Iran’s sponsorship of terrorism, unrelated to the JCPOA. The following is a list of 320 Iran-connected individuals and entities designated by the Treasury Department for their support for terrorism and/or connection to the IRGC as of January 19, 2021.

A

ABADAN OIL REFINING COMPANY

AHMED, Isma’il Fu’ad Rasul

ABBATAY, Muhammad

AHMED, Qassim Abdullah Ali

‘ABD AL-HAMID AL-ASADI, Makki Kazim

AL KHAMAI MARITIME SERVICES

ABDOLLAHI, Hamed

AL-‘ARIF, Sultan Yusuf Hasan

AFKHAMI RASHIDI, Mahmud

AL-ASHTAR BRIGADES

AGHAJANI, Hosein

AL-BILAD ISLAMIC BANK FOR INVESTMENT AND FINANCE P.S.C.

AHMADIAN, Ali Akbar

ALCHWIKI, Mhd Amer

AHMED, isma’il fu’ad rasul

AL-HAJJ, Yahya


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CALCIMIN
CASPION AIRLINES
CEMENT INDUSTRY INVESTMENT AND DEVELOPMENT COMPANY

DAMAVAND POWER GENERATION COMPANY
DAY BANK
DAY BANK BROKERAGE COMPANY
DAY E-COMMERCE
DAY EXCHANGE COMPANY
DAY IRANIAN FINANCIAL AND ACCOUNTING SERVICES COMPANY
DAY LEASING COMPANY
DEEP OFFSHORE TECHNOLOGY COMPANY, P.J.S.
DENAI AIRWAYS
DIANAT, Amir

EBRAHIMI, Ayatollah
EBRAHIMI, Hasan Dehghan
EDBI EXCHANGE BROKERAGE
EDBI STOCK BROKERAGE
EP-LDA (Aircraft)
EP-LDC (Aircraft)
EP-PUA (Aircraft)
EP-PUL (Aircraft)

EP-PUM (Aircraft)
ESFAHAN’S MOBARAKEH STEEL COMPANY
ETEMAD TEJARATE PARS CO.
EXPORT DEVELOPMENT BANK OF IRAN

FADAKAR, Alireza
FARHAT, Muhammad ‘Abd-al-Amir
FATEMIYOUN DIVISION
FATER ENGINEERING INSTITUTE
FATTAH, Parviz
FIRST EAST EXPORT BANK
FORENT TECHNIK GMBH
FORUZANDEH, Ahmed
FREE LIFE PARTY OF KURDISTAN
FUTURE BANK B.S.C.

GHANI, Esmail
GHARARGAHE SAZANDEGI GHAEM
GHASEMZADEH, Mehdi
GHASHGHAVI, Hamed
GĦOLAMSHAHI, Abbas
GĦOLIZADEH, Vali
GĦORB KARBALA
GĦORB NOOĦ
GĦUMAYN, Abu Bakr Muhammad Muhammad
GLOBAL VISION GROUP
H

HAJI BASIR AND ZARJAMIL COMPANY HAWALA

HAJI KHAIRULLAH HAJI SATTAR MONEY EXCHANGE

HAJIZADEH, Amir Ali

HAMRAHAN PISHRO TEJARAT TRADING COMPANY

HARA COMPANY

HASAN YUSUF, Ahmad

HEIDARI, Reza

HEJAZI, Mohammad

HEKMATYAR, Gulbuddin

HEMMATI, Alireza

HITAL EXCHANGE

I

IMAM HOSSEIN UNIVERSITY

IMAM KHOMEINI SHAZAND OIL REFINING COMPANY

IMENSAZEN CONSULTANT ENGINEERS INSTITUTE

IRAN MARINE INDUSTRIAL COMPANY, SADRA

IRAN TRACTOR MANUFACTURING COMPANY

IRAN ZINC MINES DEVELOPMENT COMPANY

IRANIAN ATLAS COMPANY

IRANIAN MINISTRY OF INTELLIGENCE AND SECURITY

IRANIAN OIL PIPELINES AND TELECOMMUNICATION CO.

IRAN-VENEZUELA BI-NATIONAL BANK

IRGC GROUND FORCES

IRGC NAVY

IRLU, Hasan

ISLAMIC REVOLUTIONARY GUARD CORPS

ISLAMIC REVOLUTIONARY GUARD CORPS (IRGC)-QODS FORCE

ISLAMIC REVOLUTIONARY GUARD CORPS AEROSPACE FORCE SELF SUFFICIENCY JIHAD ORGANIZATION

ISLAMIC REVOLUTIONARY GUARD CORPS AIR FORCE

ISLAMIC REVOLUTIONARY GUARD CORPS AL-GHADIR MISSILE COMMAND

ISLAMIC REVOLUTIONARY GUARD CORPS ELECTRONIC WARFARE AND CYBER DEFENSE ORGANIZATION

ISLAMIC REVOLUTIONARY GUARD CORPS RESEARCH AND SELF-SUFFICIENCY JEHAD ORGANIZATION

IZADI, Muhammad Sa'id

J

JA'FARI, Mohammad Agha

JABARIN, Zaher

JAFARI, Mohammad Ali

JAHAN ARAS KISH

JALAL MAAB, Mohammad

JAYSH AL-ADL

JOINT PARTNERSHIP OF MOHAMMADREZA KHEDMATI AND ASSOCIATES
K
KAREEM, Aras Habib
KAZEMABAD, Mahmud Bagheri
KHATAM OL ANBIA GHARARGAH SAZANDEGI NOOH
KHEDRI JAHAN DARYA CO
KHEDRI, Abdolhossein
KHODAI, Mohammad Hasan
KISH P AND I CLUB

L
LINER TRANSPORT KISH

M
MADAIN NOVIN TRADERS
MADANIPOUR, Mahmoud
MAHAN AIR
MAHER TRADING AND CONSTRUCTION COMPANY
MAKIN INSTITUTE
MARTYRS FOUNDATION
MASJEDI, Iraj
MEHR BANK
MEHR EQTESAD BANK
MEHR EQTESAD FINANCIAL GROUP
MEHR-E EQTESAD-E IRANIAN INVESTMENT COMPANY
MELLAT BANK CLOSED JOINT-STOCK COMPANY
MELLI BANK PLC
MELLI INTERNATIONAL BUILDING & INDUSTRY COMPANY
MERAJ AIR
MIDDLE EAST SAMAN CHEMICAL COMPANY
MINA'I, Mohammad
MINISTRY OF DEFENSE AND ARMED FORCES LOGISTICS
MINISTRY OF PETROLEUM
MIR BUSINESS BANK
MIRAGE FOR ENGINEERING AND TRADING
MIRAGE FOR WASTE MANAGEMENT AND ENVIRONMENTAL SERVICES SARL
MOHAMMADI, Behzad
MONTAZAMI, Gholamreza
MORTEZAVI, Hasan
MURAJ, Yousef Ali
MURTADHA MAJEED RAMADHAN ALAWI, Alsayed
MUSAVI, Hossein
MUSAVI, Sayyed Kamal
MUSAVIFAR, Sayyed Reza
MUSAVIR, Sayyed Yaser

N
NAJAFPUR, Sa’id
NAQDI, Mohammad Reza
NATIONAL DEVELOPMENT FUND OF IRAN
NATIONAL INDUSTRIES AND MINING DEVELOPMENT COMPANY
NATIONAL IRANIAN OIL COMPANY

NATIONAL IRANIAN OIL ENGINEERING AND CONSTRUCTION COMPANY

NATIONAL IRANIAN OIL PRODUCTS DISTRIBUTION COMPANY

NATIONAL IRANIAN OIL REFINING AND DISTRIBUTION COMPANY

NATIONAL IRANIAN TANKER COMPANY

NATIONAL PETROCHEMICAL COMPANY

NEGIN SAHEL ROYAL INVESTMENT COMPANY

NEW HORIZON ORGANIZATION

NIKBAKHT, Mas’ud

OMID BONYAN DAY INSURANCE SERVICES

OMRAN SAHEL

OMRAN VA MASKAN ABAD DAY COMPANY

ORDOUBADI, Nader Talebzadeh

ORIENTAL OIL KISH

OWHADI, Mohammad Ebrahim

OZMA’I, Ali

PAKPOUR, Mohammad

PARDAZESH TASVIR RAYAN CO.

PARIASAN BANK

PARIASAN CATALYST CHEMICAL COMPANY

PELARAK, Hassan

PERSIA INTERNATIONAL BANK

PERSIAN GULF SABZ KARAFARINAN

POUYA AIR

PRINTING TRADE CENTER GMBH

PUREBRAHIM, Ali Akbar

QASEMI, Rostam

QASIR, Ali

QESHM FARS AIR

QESHM ZINC SMELTING AND REDUCTION COMPANY

RAH SAHEL INSTITUTE

RAHAB INSTITUTE

RAHAT LTD

RASHED EXCHANGE

RAVANKAR, Mansur

RAZAVI, Esmail

RECONSTRUCTION ORGANIZATION OF HOLY SHRINES IN IRAQ

REEM PHARMACEUTICAL

REZAIE, Morteza

RONAGHI, Iraj

ROYAY-E ROZ KISH INVESTMENT COMPANY

SABURINEZHAD, Hasan

SADIQABADI, Alireza
SAFAVI, Yahya Rahim
SAHEL CONSULTANT ENGINEERS
SAJJAD, Rasoul
SAKAN EXCHANGE
SALEHI, Foad
SALIMI, Hosein
SARAYA AL-MUKHTAR
SARDASHTI, Nasrollah
SEIF, Mahmoud
SEIF, Valiollah
SEPA NIR OIL AND GAS ENGINEERING COMPANY
SEPASAD ENGINEERING COMPANY
SEYED ALHOSSEINI, Akbar
SHAHLAI, Abdul Reza
SHAHVARPOUR NAJAFABADI, Hassan
SHAKURI, Gholam
SHARIF, Niamat Hama Rahim Hama
SHARIFI, Ali
SHIR AMIN, Javad Bordbar
SHOMAL CEMENT COMPANY
SHOUSHTARIPOUSTI, Masoud
SINA BANK
SOLEIMANI, Qasem
SOUTH WEALTH RESOURCES COMPANY
SYRIAN ARAB AIRLINES

T
TABATABAEI, Sayyid Ali Akbar
TADBIRGARAN ATIYEH IRANIAN INVESTMENT COMPANY
TAEB, Hossein
TAKTAR INVESTMENT COMPANY
TANGSIRI, Ali Reza
TARZALI, Ali
TECHNOTAR ENGINEERING COMPANY
TEHRAN GOSTARESH COMPANY, P.J.S.
TEHRANI, Sayyed Mohammad Ali Haddadnezhad
TEJARAT ALMAS MOBIN HOLDING
TEJARAT GOSTAR FARDAD
TIDEWATER MIDDLE EAST CO.
TOSE-E DIDAR IRANIAN HOLDING COMPANY
TOSE-E DONYA SHAHR KOHAN COMPANY
TOSE-E MELLI GROUP INVESTMENT COMPANY
TOSE-E MELLI INVESTMENT COMPANY

U
UKRAINIAN-MEDITERRANEAN AIRLINES

V
VALADZAGHARD, Mohammadreza Khedmati

Y
YAGHOUBI MIAB, Hossein
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