



July 9, 2020

Dear Secretary Pompeo and Secretary Mnuchin,

As governments undertake extraordinary measures to fight the COVID-19 pandemic and sustain their economies, serious human rights and corruption concerns have surfaced around the world. The Global Magnitsky sanctions program, as a dual human rights and anti-corruption accountability tool focused on targeted individual sanctions, is particularly well suited to the task of counteracting efforts by authoritarian regimes and malign actors to use this crisis as an opportunity to curb fundamental freedoms, erode the rule of law, and steal public resources.

We fully appreciate efforts to balance concerns around the need to move funds and goods quickly around the globe and the importance of ensuring that these resources are not stolen by corrupt actors to the detriment of people in need. We, the undersigned organizations, believe that one powerful way to address this concern is by leveraging existing sanctions authorities provided by Executive Order 13818 and the Global Magnitsky Act while carrying out a robust public messaging campaign signaling that the corrupt misappropriation of pandemic-related resources will be prioritized by investigators and law enforcement, as well as by financial institutions.

Global disruptions and fundamental changes in how business is conducted are elevating corruption risks, with new schemes and methods being developed by unscrupulous actors. Yet in the Global Magnitsky sanctions program, the United States maintains a robust tool, with a strong history of bipartisan support, to target gross corruption by public officials around the globe. This sanctions program is broad enough to encompass all forms of public corruption, it provides a strong role for Congress, and it contains mechanisms to leverage the knowledge of the NGO community and civil society organizations.

Sanctions programs are more effective in altering behavior and achieving policy ends when goals, targeting priorities, and delisting criteria are well known and understood by all parties, including those engaged in illicit activities. Thus, efforts

to use the Global Magnitsky program to address corruption related to the pandemic response should be accompanied by clear, strong public messaging that this work will be resourced and prioritized. This type of messaging can also assist financial institutions in navigating the often complex due diligence processes that are typically appropriate when scrutinizing transactions from areas of concern.

In this case, we recommend the following:

- Treasury's Office of Foreign Assets Control (OFAC) should issue a notice and add language to its Frequently Asked Questions page specifying that corruption related to the COVID-19 response is a priority area under the Global Magnitsky program.
- The State Department should reinforce this message by using tools, such as an ALDAC cable, focused on corruption and COVID-19 funds. The State Department should also ensure that the Bureaus of International Narcotics and Law Enforcement (INL) and Democracy, Human Rights, and Labor (DRL) play a strong role in working with posts to implement anti-corruption assistance programs and to identify possible actors who may be eligible for sanctions.
- The Financial Crimes Enforcement Network (FinCEN) should highlight that corruption in the distribution of COVID-19 resources falls under the Global Magnitsky sanctions program. It should also ensure that financial institutions are aware of and implementing the COVID-related guidance issued by the Financial Action Task Force (FATF).

At this moment of turmoil, with new initiatives rapidly developing, we must ensure that we are using the tools and best practices that have already been developed.

Sincerely,

The Sentry	Open Dialogue Foundation
Freedom House	Open Society Justice Initiative
Human Rights First	Project Expedite Justice
American Jewish World Service	Redress
Americans for Democracy & Human Rights in Bahrain (ADHRB)	Safeguard Defenders
Association of Concerned Africa Scholars – (USA)	Torture Abolition And Survivors Support Coalition International
Boat People SOS	Transparency International, US Office
Coalitions for Integrity	USC International Human Rights Clinic
Friends of Angola	
Global Financial Integrity	
Heartland Initiative	
Humanity United	
Human Rights Foundation	
International Christian Concern	
Henry M. Jackson Foundation	
Joint Baltic American National Committee, Inc. (JBANC)	