



Congress of the United States
House of Representatives
Washington, DC 20515-4302

March 22, 2013

The Honorable John Kerry
Secretary
U.S. Department of State
2201 C Street NW
Washington, DC 20520

The Honorable Jack Lew
Secretary
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Rebecca Blank
Acting Secretary
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Secretary Kerry, Secretary Lew, and Secretary Blank:

We commend the State Department, Treasury Department, and Commerce Department for your efforts to tighten sanctions against the Islamic Republic of Iran, particularly in regard to entities that not only do business with Iran, but also aid in restricting the freedoms of the Iranian people. The President issued Executive Order 13606 in April, 2012 to impose sanctions on persons and companies that assist the Iranian regime in denying freedom of speech and freedom of communication. Moreover, Section 106 of the Comprehensive Iran Sanctions Accountability and Divestment Act (CISADA, 22 U.S.C. 8515) bans U.S. government agencies from procuring goods or services from a company that exports technology to Iran that is used “to disrupt, monitor, or otherwise restrict speech of the people of Iran.”

There are multiple reports that Huawei and Zhongxing Telecommunications Equipment (ZTE), have exported technologies to restrict and censor freedom of speech within Iran. We ask that you provide us a detailed explanation of whether Huawei and ZTE meet the criteria for being subject to the procurement ban in Section 106 of CISADA, and if warranted, designate them and impose sanctions pursuant to E.O. 13606 and Section 106 of CISADA. Huawei and ZTE’s veiled activities and ties to Iran have been scrutinized in Congress and documented by the House Permanent Select Committee on Intelligence (HPSCI). An October 2012 HPSCI investigative report documents Huawei and ZTE’s refusal to provide the Committee with details and/or documents of their respective operations in Iran. Further, ZTE could not provide evidence to refute claims that its management destroyed evidence detailing its activities in Iran and additionally, could not support any of its claims of scaled-back operations in Iran. In fact, ZTE “declined to comment on recent media reports that it had sold export-controlled items to Iran.” For its part, Huawei “denied doing business with the government of Iran,” but “refused to provide any internal documents relating to its decision to scale-back operations in Iran.”

Extensive media coverage and outside reporting on this matter, however, do exist. For example, a Wall Street Journal investigation found that Huawei aggressively sought to increase its market share in the telecommunications equipment industry during the 2009 protests in Tehran, “emphasiz[ing] that, being from China, they had expertise censoring the news.” Moreover, in a report issued earlier this year, the U.S.-China Economic and Security Review Commission

referenced a Reuters investigation in which it said that “ZTE provided Iran with over \$130 million in communications surveillance equipment, as well as some U.S. IT products, and subsequently agreed to transfer additional embargoed U.S. communications systems.”

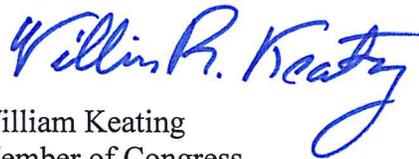
It is our firm belief that in order for the sanctions on the Iranian regime to be effective, the Administration must utilize all tools available by CISADA, including those mandated by Section 106, and E.O. 13606. Due to the unresolved questions surrounding these two companies, we respectfully encourage the Administration to initiate a thorough investigation into the sales and related activities of Huawei and ZTE in Iran and reach a determination as to whether these companies should be designated as sanctioned entities under U.S. law.

We appreciate your time and look forward to your prompt response.

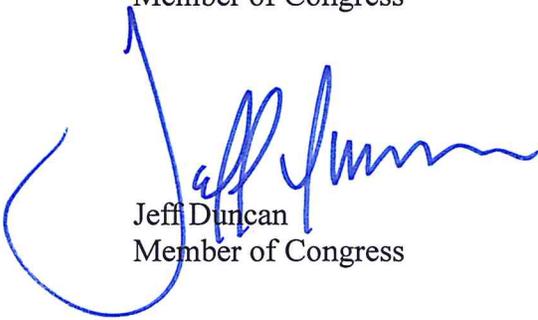
Sincerely,



Ted Poe
Member of Congress



William Keating
Member of Congress



Jeff Duncan
Member of Congress



Ted Deutch
Member of Congress



Randy Weber
Member of Congress



Adam Kinzinger
Member of Congress



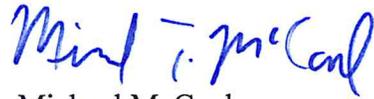
Michael Turner
Member of Congress



George Holding
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Tom Cotton
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Michael McCaul
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Frank Wolf
Member of Congress



Mike Rogers (AL-03)
Member of Congress



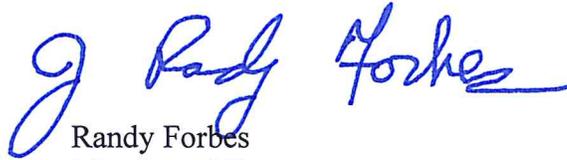
Tom Marino
Member of Congress



Joe Wilson
Member of Congress



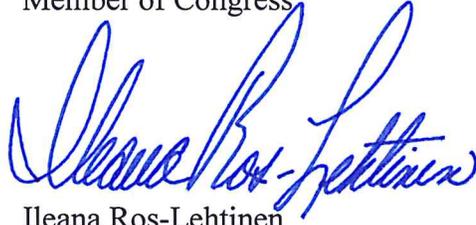
Lois Frankel
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Randy Forbes
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Ileana Ros-Lehtinen
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