

Congress of the United States
House of Representatives
Washington, DC 20515-2210

May 10, 2021

The Honorable Merrick Garland
United States Attorney General
United States Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Attorney General Garland,

On April 29th, your Department of Justice (DOJ) announced¹ that the German global software company, SAP SE, has agreed to pay over \$8 million in penalties for violating Export Administration Regulations and the Iranian Transactions and Sanctions Regulations.

This is concerning because during President Obama's administration, SAP was sending U.S.-originated software to Iran. Your DOJ has reported that over 20,000 updates and software patches were sent to users of the technology in Iran. In addition, SAP's Cloud Business Group granted approximately 2,360 Iranian users access to U.S.-based cloud services from Iran. This is not only a blatant violation of United States sanctions, but also a potential threat to U.S. national security.

During his tenure as Ambassador to Germany, Richard Grenell told German officials time and again that their companies had to make a choice: operate in the United States or operate in Iran. He made it clear that German companies would not be granted access to the U.S. market if they violated sanctions and conducted business with Iran or Iranian-sponsored entities. We are concerned that SAP was violating U.S. laws during the Obama and Trump Administrations and that the very clear message from Trump Administration officials were ignored by SAP's officials.

We are also concerned by DOJ's Non-Prosecution agreement. It sends the message that the United States does not take violations of its sanction regime seriously. We are requesting a follow up from you on the following questions no later than June 1st, 2021:

- If you had ample evidence that SAP violated U.S. sanctions, why did you choose to pursue a Non-Prosecution agreement rather than more punitive actions?

¹ "SAP Admits to Thousands of Illegal Exports of Its Software Products to Iran and Enters Into Non-Prosecution Agreement with DOJ." *United States Department of Justice*, 29 Apr. 2021, www.justice.gov/usao-ma/pr/sap-admits-thousands-illegal-exports-its-software-products-iran-and-enters-non.

- Did SAP first approach DOJ about these violations or did DOJ first approach SAP about these violations?
- Is DOJ currently conducting other investigations of foreign-based businesses for potential violations of U.S. sanctions on Iran?
- What recommendations will you be making to both Secretary of the Treasury, Janet Yellen and President Biden to strengthen U.S. sanction efforts on Iran?
- Will you, in conjunction with the Director of National Intelligence, be conducting a national security review to uncover the extent of what U.S.-originated technology was sent to Iran and potentially forwarded to the Iranian Regime or Quds Force?
- What recommendations will you be making to Secretary of State Anthony Blinken to ensure that no other companies based in an allied country will violate U.S. sanctions on Iran in the future?

We appreciate your Department's commitment to enforcing United States sanction efforts. We look forward to your response.

Sincerely,



Lisa C. McClain
Member of Congress



Jeff Van Drew
Member of Congress



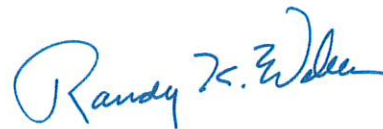
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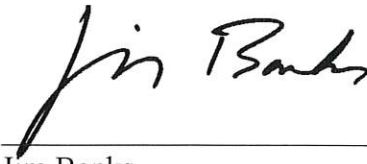
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