



**Mr. Jean-Claude Juncker**

President  
European Commission  
Rue de la Loi 200  
B-1049  
Brussels  
BELGIUM

26 July 2017

Dear President,

It is with great concern that we are sharing with you this letter on the issue of the upcoming additional and unilateral U.S. sanctions against Russia. We are, in particular, referring to the "H.R.3364 - Countering America's Adversaries Through Sanctions Act", to provide congressional review and to counter aggression by the Governments of Iran, the Russian Federation, and North Korea, and for other purposes.

BusinessEurope has always and unquestionably supported international action and the decisions taken by the Heads of State of the EU in the field of sanctions, as policy measures designed to address foreign policy objectives. In this context, we would like to stress that European companies are particularly diligent when operating in areas targeted by sanctions, complying with all of the relevant regulations and contributing with concrete experience in all efforts to improve the implementation of sanctions.

However, we are concerned that the package of measures currently discussed by our counterparts in the United States steps away from the multilaterally agreed path on sanctions against Russia, in particular, in a manner that – due to the extraterritorial application of the U.S. law – will especially harm European companies. More specifically, the potential impact on the EU's energy supply is at the heart of our concerns, as the EU relies heavily on external energy suppliers, Russia in particular. Given the realities of global trade and supply chains, we cannot afford the heavy burden that these proposals will impose. Although section 232 (a) of the U.S. Bill provides for coordination between the President of the United States and the United States' allies, further assurances will be required to shield European companies from the extraterritorial effects of the law.

We call for immediate action from the EU Institutions to prevent the extraterritorial impact that the current legislative proposal of the United States will have on European companies. Reinforcing bilateral dialogue on this issue is key to ensuring that our U.S. counterparts do not deviate from multilateral approaches to sanctions. We strongly believe that it is through concerted and carefully designed action that we can be most effective in the area of economic sanctions, not through unilateral responses.

We are ready to support you further in your efforts to achieving a rapid and appropriate solution to this issue.

Yours sincerely,



Emma Marcegaglia  
President



Markus J. Beyrer  
Chief Executive Officer