

**Mr Steven Turner Mnuchin**  
Secretary of the Treasury  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220  
The United States of America

24 September 2018

Dear Secretary,

With this letter, we would like to share with you our deep concerns on the prospect of additional secondary sanctions being adopted by the United States against the Russian Federation under the "Countering America's Adversaries Through Sanctions Act" in a way that has significant collateral effects on Europe and would weaken the Trans-Atlantic cooperation.

BusinessEurope values the continued dialogue established between the U.S. and the European Institutions on this issue. It is our firm belief that, in the area of sanctions, concerted actions have proven to be more effective in the long-term. At the same time, these efforts are critical to the stability and the growth of Transatlantic ties. In this context, we regret that the U.S. is not following a more coordinated approach with the EU, as a key ally, which often results in unintended consequences on European businesses.

Business needs legal clarity and predictability, both on existing contracts and obligations, as well as on future projects and transactions. This is especially relevant for companies that are involved in long-term projects, such as in the areas of energy and manufacturing, but also for companies across the board that seek access to finance.

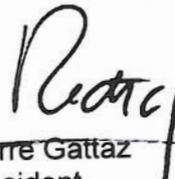
We would like to particularly highlight the detrimental impact secondary sanctions under the sections related to pipelines and crude oil of the U.S. law may have on the EU's energy supply. A number of projects, which are vital to ensure the uninterrupted supply of energy in the EU, could be targeted or impacted. Interventions by the U.S. in the European energy market could lead to increased energy prices and cause considerable turbulences on commodity markets and stock exchanges. For instance, U.S. sanctions adopted in April had a serious impact on the aluminium market. Although not completely implemented yet, these sanctions are already causing bottlenecks for the EU's supply of raw alumina and aluminium imports. This exemplifies how unilateral sanctions create uncertainty and unintended consequences.

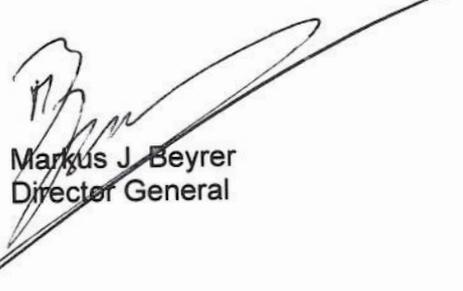
In practice, it can be very difficult for companies to prepare for the collateral impact of sanctions, despite detailed guidance by the U.S. Office of Foreign Assets Control (OFAC).

We understand that the adoption of additional secondary sanctions under the CAATSA could be under consideration by the U.S. Administration. In this regard, we count on you to consider the key interests of the EU and its companies and the specificities of our market.

We thank you for your attention. BusinessEurope is committed to further supporting the continued diplomatic and legislative efforts to find viable solutions.

Yours sincerely,

  
Pierre Gattaz  
President

  
Markus J. Beyrer  
Director General