



United States Department of State

Washington, D.C. 20520

SENSITIVE BUT UNCLASSIFIED

January 29, 2021

ACTION MEMO FOR THE SECRETARY

FROM: EB – Peter Haas, Acting
AF – Robert F. Godec, Acting
INL – James A. Walsh, Acting

SUBJECT: (SBU) Revocation of Sanctions Licenses Related to Dan Gertler

Recommendation

(SBU) That you authorize EB to transmit foreign policy guidance to Treasury requesting that the Secretary of the Treasury immediately revoke all specific licenses issued to Dan Gertler, an individual sanctioned for corrupt activities in the Democratic Republic of the Congo (DRC) that directly threaten U.S. interests. (Approve/Disapprove by 2/3/21)

Background

(SBU) The Department of the Treasury's Office of Foreign Assets Control (OFAC) issued two specific licenses to U.S.-sanctioned Israeli mining billionaire Dan Gertler (Gertler). The first, issued in early November 2020, allowed Gertler to distribute \$10 million of his wealth throughout the DRC for what he claims are charitable purposes. The second, issued January 15, provides sweeping sanctions relief for Gertler and his network and permits him to open bank accounts in the United States. These licenses provide Gertler significant opportunities to exert malign influence in the DRC in a way that would undermine U.S. interests. Due to the breadth of activities authorized, U.S. credibility has been significantly damaged, as has the credibility of the Global Magnitsky sanctions program (GloMag). The issuance of the licenses has also jeopardized cooperation with the DRC, Congress, and our close partners in civil society. Swift revocation of these licenses will mitigate these consequences.

(SBU) (b)(5)

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(SBU) Gertler amassed his fortune through opaque and corrupt mining and oil deals in the DRC. He facilitated those deals through his close friendship with former DRC President Joseph Kabila, who acted as a middleman for mining asset sales in the DRC. This included Kabila requiring some multinational companies to go through Gertler to do business with the Congolese state. As a result, between 2010 and 2012 alone, the DRC reportedly lost over \$1.36 billion in revenues from the underpricing of mining assets that were sold to offshore companies linked to Gertler. The United States first imposed sanctions on Gertler and his network in December 2017 under

E.O. 13818 (Global Magnitsky), which targets serious human rights abuse and/or corruption. Gertler's malign activities are ongoing.

Attachments:

Tab 1 – AM to S SES ID 202010582 (and associated Tabs to be provided by INR)

Tab 2 – Incoming Correspondence

Approved: EB – Peter Haas, Acting [PDH]
AF – Robert Godec, Acting [RG]
INL – James A. Walsh, Acting [JAW]

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