

READOUT: Under Secretary Brian Nelson's Travel to Iraq

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BAGHDAD — On January 28 and 29, Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson traveled to Baghdad, Iraq to continue work between the two countries on countering illicit finance and strengthening the Iraqi financial system.

While in Baghdad, Under Secretary Nelson met with senior government officials including Prime Minister Mohammed Shiaa al-Sudani, Central Bank of Iraq Governor Ali al-Allaq, Chief Justice of the Supreme Council Faiq Zaidan, and Minister of Transport Razzaq Muhaibis to discuss recent actions taken by the United States and ways to strengthen cooperation between the two countries. The United States has worked closely with the Government of Iraq to prevent terrorists, criminals, and corrupt and other illicit actors from accessing both the Iraqi and international financial systems and to improve the compliance procedures of Iraqi banks in line with international standards. The Under Secretary also met with financial sector representatives, including Trade Bank of Iraq Chairman Bilal al-Hamdani and representatives of privately-owned banks to discuss how bilateral efforts have provided new opportunities for connectivity between Iraqi banks and the international financial system, which will benefit the Iraqi economy and Iraqi people, while also protecting the international financial system from abuse.

Yesterday, [Treasury identified Al-Huda Bank](#) as a “primary money laundering concern” due to its use by Iran and its proxies to launder money and fund terrorist operations. Treasury's Financial Crimes Enforcement Network (FinCEN) issued a Notice of Proposed Rulemaking (NPRM) to isolate the bank from the international financial system and provide valuable information including typologies and network analysis to the financial sector.

Concurrently, Treasury's Office of Foreign Assets Control (OFAC) imposed sanctions on the bank's CEO. Al-Huda Bank and its foreign sponsors, including Iran and its proxy groups, divert funds that could otherwise support legitimate business and the economic aspirations of the Iraqi people.

Treasury remains committed to its longstanding shared work with the Government of Iraq to strengthen the Iraqi economy and protect both the U.S. and Iraqi financial systems from

abuse.

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