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Re: ArcelorMittal, U.S. Jobs, and Iran

Dear Sirs:

Thank you for your response to UANI's letter of April 11, 2016 in which you stated that media reports highlighting ArcelorMittal's \$1.0 billion deal to produce steel in southern Iran were "entirely inaccurate and based on a mistaken identity." I found your clarification most enlightening. Since your letter, however, additional reports have emerged shedding more light on ArcelorMittal's reported business engagement with Iran. On March 5, 2017, it was reported that ArcelorMittal

expanded its cooperation with Iran in 2016 by increasing steel product shipments to the country.... In 2016, steel sales of ArcelorMittal's subsidiary ArcelorMittal International FZE in Dubai, otherwise known as AIMD, to customers in Iran generated \$388 million in revenue, according to an official statement.... In the meantime, ArcelorMittal's Europe division has been concentrating on sales of coated flat products, alloy steel plates and stay cable strands both directly and indirectly for projects in Iran.

(Financial Tribune, "[ArcelorMittal Expands Steel Sales to Iran](#)," 3/5/2017; and *See* Metal Bulletin, "[Lower flat steel import prices arouse Iranian customers' interest](#)," 4/26/2017). At the same time that ArcelorMittal is reportedly expanding operations in Iran, it apparently intends to shrink operations in the United States. For example, in March 2017, ArcelorMittal announced dozens of layoffs at its plant in Steelton, Pennsylvania. (ABC News, "[ArcelorMittal to lay off Steelton workers](#)," 3/3/2017).

In view of this regrettable juxtaposition of ArcelorMittal's commercial blueprints, and given the current and foreseeable political climate – one in which the U.S. Administration has strongly and repeatedly urged companies to retain operations in the United States or face punitive financial penalties – it would seem prudent for ArcelorMittal to refrain from any expansion of its Iran business at this juncture.

As you may know, on February 1, 2017, the White House stressed that the Islamic Republic of Iran is “on notice” due to its ongoing “malign actions, including weapons transfers, support for terrorism, and other violations of international norms.” The statement concluded, “[t]he Trump Administration condemns such actions by Iran that undermine security, prosperity, and stability throughout and beyond the Middle East and place American lives at risk.... As of today, we are officially putting Iran on notice. (The White House, Office of the Press Secretary, “[Statement by the National Security Advisor](#),” 2/1/2017).

On February 3, 2017, the White House issued another statement accompanying the U.S. Government's designation of 25 individuals and entities for their support of Iran's ballistic missile program, concluding that “[t]he days of turning a blind eye to Iran's hostile and belligerent actions toward the United States and the world community are over.” (The White House, Office of the Press Secretary, “[Statement by the National Security Advisor](#),” 2/3/2017). In response to Iran's January 2017 test-firing of a medium-range ballistic missile, U.S. Ambassador to the United Nations, Nikki Haley, also warned:

We're not going to stand by. You're going to see us call them out as we said we would, and you are also going to see us act accordingly.... We have said with this administration that we are not going to show a blind eye to these things that happen.... We're going to act. We're going to be strong. We're going to be loud and we're going to do whatever it takes to protect the American people and the people across the world.

(New York Times, “[Iran Warns Trump Over Missile Dispute, and American U.N. Envoy Hits Back](#),” 1/31/2017). U.S. State Department spokesman, Mark Toner, also stated, “[w]hen actions are taken that violate or are inconsistent with the resolution, we will act to hold Iran accountable and urge other countries to do so as well....” (NBC News, “[Iran Test-Fires Medium Range Ballistic Missile: U.S. Officials](#),” 1/31/2017). U.S. Senator Bob Corker, chairman of the Senate Foreign Relations Committee, added, “[n]o longer will Iran be given a pass for its repeated ballistic missile violations, continued support of terrorism, human rights abuses and other hostile activities that threaten international peace and security....” (Associated Press, “[UN to hold urgent meeting on Iran missile test at US request](#),” 1/30/2017).

The aforementioned press reports make quite clear that the U.S. will adopt a more assertive approach to strict enforcement of the terms of the JCPOA. In particular, sanctions may be re-imposed (“snapped back”) at any time, and given Iran's questionable compliance with the JCPOA and the rapidly changing macro-political climate, a termination of or retrenchment from

the JCPOA seems more likely than ever.

In view of the foregoing, please clarify whether ArcelorMittal intends to continue its plans to expand business in Iran at the same time that it is cutting jobs in the U.S. I look forward to hearing from you at your earliest convenience.

Very truly yours,



Ambassador Mark D. Wallace

UANI is a not-for-profit, non-partisan, advocacy group that seeks to prevent Iran from fulfilling its ambition to obtain nuclear weapons. UANI was founded in 2008 by Ambassador Mark D. Wallace, the late Ambassador Richard Holbrooke, former CIA Director Jim Woolsey and Middle East expert Dennis Ross. UANI's private sanctions campaigns and state and federal legislative initiatives focus on ending the economic and financial support of the Iranian regime by corporations until Iran verifiably abandons its drive for nuclear weapons, support for terrorism and gross human rights violations. Former U.S. Senator Joseph Lieberman is UANI's Chairman. UANI's Advisory Board consists of distinguished leaders in government, academia and business. See <http://www.unitedagainstinucleariran.com/about/leadership>.