**In the name of God, the most compasinate, the most merciful**

**October 18 th., 2020**

**H.E. Mr. Hong Nam-Ki**

**Minister of Economy and Finance of Republic of South Korea, SEUL, South Korea**

**C/O of embassy of Republic of South Korea in IRI Vanak Sa. Shikh Bahae Ave. Daneshvar Gharbi, #2, Teheran, Iran**

**Dear Mr. Hong Nam-Kei**

As you may be informed, prior to the US sanctions (against Iran), South Korea had bought crude oil and gas condensate from Iran, but it has not paid Iran yet. while Iran is under the most severe economic sanctions, You have not even collaborated with Iran by exchanging goods needed in Iran in return for your debt, the goods which are not included in the sanctions. We have a famous saying in Iran: “*Doors don’t open only in one direction*.” It means the situation is never in one stable condition and things may change. Indeed, it invites people for more wisdom and vision. Iranians use this proverb in responding someone who has harmed them, indicating that you will see the results of the unkindness.

*“Besides exemption for importing oil from Iran, we have also obtained exemption for using Won for financial transactions with Iran so that we are able to use our national currency ‘Won’ payment system to proceed trades between the two countries.”* This is a quotation from *Yu Jang Hyun*, South Korean Ambassador in Iran who said it in an interview in Iran in October 2018. Those days, South Korea was benefiting from the 180-day exemption period obtained by the US. However, you have made conditions where it was difficult for Iranians to receive the money. How? You intended to pay 20% of the remaining Iran oil money in euro and the rest of it with won. However, the problem was that Iran had to buy Korean-made goods from the regional warehouses of Korean companies, mostly located in UAE. The won-dirham exchange cost was so high that none of Iranian officials could assume the responsibility and so costly for Businessmen. On the other hand, purchasing goods from South Korean markets imposed a 17% tax on Iran. The Iranian parties agreed to receive a 50% of the oil money in euro and the other 50% in won, however, you only accepted 30% of settlement with euro. The negotiations took such a long time that the exemption period ended and Iran’s money was blocked in South Korea.

The diverse and extensive markets of Iran were a good place for Korean companies, but those companies have now left Iran due to US pressures. This is more useful, rather than harmful to the Iran’s economy. The increasing developments of Iranian companies’ products and the Iranian people’s acceptance, in response, indicate that the decision made by the Korean companies has sparked the growth of Iranian domestic industries. It is obvious that further dominance on Iran’s market might not be as nearly easy for the Korean companies producing similar products, and these illegal behaviors bring forward the issue of sanctioning Korean products as an unreliable and unpredictable trade partner. It will also difinitely affect the strategic cooperation of the two countries in the future.

You have blocked Iranian foreign exchange resources on the contrary of all international rules and regulations, only relying upon the domestic laws of one country (the US), and you accompany the US with biased behavior. Therefore, you may have in mind that, upon failure of the ‘maximum pressure against Iran’ campaign and retreat of the US from the hostile behavior, you may be the last country authorized with permissions for investment, trade, and utilizing the extensive markets for an 80-million population in Iran as well as common work with third markets. Therefore, we believe, there shall be urgent revision of the policies you have adopted toward Iran.

It must be noted that, the yon must PAY delay damage concerning the Iran’s date of foreign exchange resources blockade period (From date of bockade to date of payment), the damages incurred to Iran within the Corona virus pandemic period, as a result from non-availability of foods and medicine (exempted from the US secondary sanctions), of this blockade are serious demands of I.R. Iran. It is clear that, in case the government of South Korea insists on following the radical and frenetic policies and orders of the US administration, the central Bank or south Korea and government of S.K. must pay for the costs.

Regarks,

Dr. Moammad Javad Iravani

Prof. university of Teheran, and EX Minister of Economic Affairsand Finance of Islamic Republic of Iran