

United States Senate

WASHINGTON, DC 20510

May 10, 2022

The Honorable Wally Adeyemo
Deputy Secretary of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Mr. Adeyemo:

We are writing to respectfully request that the administration extend the application of sanctions against the Central Bank of the Russian Federation to target the National Card Payment System (NSPK) operated by that central bank.

In early March, credit card networks Visa, Mastercard, and American Express suspended operations in Russia in response to Moscow's invasion of Ukraine. The Russian government established NSPK in 2014 after Russian forces seized Ukraine's Crimean Peninsula, amidst Moscow's concern that it would be cut off from international payment systems. The NSPK has a card brand known as Mir. Since Mir is interoperable with international payment brands, it poses the potential for sanctions circumvention through its ability to process transactions from other payment networks over the NSPK rails.

While Mir has mostly been used for bank transfers related to welfare or pension payments, it does have an international footprint, and Russia has been eager to bring other countries into the Mir system since its inception. Currently, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, Turkey, the United Arab Emirates, Uzbekistan, and Vietnam accept Mir payments. Mir payments are also accepted in the Russian-occupied Georgian regions of Abkhazia and South Ossetia.

China's UnionPay – an international payment system that received international status in 2005 and can be used for payments worldwide – may be providing Mir a lifeline. Numerous Russian banks, including Sberbank and Alfa-Bank, have indicated they may issue Mir-UnionPay co-badged cards. Other Russian banks already work with the Chinese UnionPay payment system, including Gazprombank, Bank St. Petersburg, Promsvyazbank, and others.

In response, the administration should both apply sanctions or other restrictive measures to the Russian central bank's NSPK payment system, and review whether UnionPay's or any other bank or network is helping Russia evade sanctions, so that sanctions may be applied.

Thank you for your time and attention to this matter. We look forward to receiving your response.

Sincerely,

Handwritten signature of Bill Hagerty in blue ink.

Bill Hagerty
United States Senator

Handwritten signature of Thom Tillis in blue ink.

Thom Tillis
United States Senator

Handwritten signature of Cynthia M. Lummis in blue ink.

Cynthia M. Lummis
United States Senator

Handwritten signature of Steve Daines in blue ink.

Steve Daines
United States Senator

Handwritten signature of Tim Scott in blue ink.

Tim Scott
United States Senator

Handwritten signature of M. Michael Rounds in blue ink.

M. Michael Rounds
United States Senator