

III

(Acts adopted under the EU Treaty)

ACTS ADOPTED UNDER TITLE V OF THE EU TREATY

COUNCIL COMMON POSITION 2007/140/CFSP

of 27 February 2007

concerning restrictive measures against Iran

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Article 15 thereof,

Whereas:

- (1) On 23 December 2006, the United Nations Security Council adopted Resolution 1737 (2006) (UNSCR 1737 (2006)), urging Iran to suspend without further delay some proliferation sensitive nuclear activities and introducing certain restrictive measures against Iran.
 - (2) On 22 January 2007, the Council of the European Union welcomed the measures contained in UNSCR 1737 (2006) and called on all countries to implement them in full and without delay.
 - (3) UNSCR 1737 (2006) prohibits the direct or indirect supply, sale or transfer to Iran of items, materials, equipment, goods and technology which could contribute to Iran's enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems. These items, materials, equipment, goods and technology are contained in the Nuclear Suppliers Group and Missile Technology Control Regime lists.
 - (4) UNSCR 1737 (2006) also prohibits the provision of technical assistance or training, financial assistance, investment, brokering or other services in relation to items subject to the export prohibition. The Council considers it appropriate to extend this prohibition to all items contained in the Nuclear Suppliers Group and the Missile Technology Control Regime lists and considers that these prohibitions should also cover financing.
 - (5) UNSCR 1737 (2006) provides that the export of certain further items should also be prohibited if it is determined that they would contribute to enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems, or to activities about which the IAEA has expressed concerns;
- the export of such items should therefore be subject to authorisation by the competent authorities of the Member States.
- (6) UNSCR 1737 (2006) also prohibits the procurement from Iran of the items covered by the above mentioned export prohibition.
 - (7) UNSCR 1737 (2006) calls upon Member States to exercise vigilance regarding the entry into, or transit through, their territories of persons engaged in, directly associated with, or providing support for, Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, as designated in the Annex to UNSCR 1737 (2006) and of additional persons designated by the Security Council or the Committee established pursuant to paragraph 18 of UNSCR 1737 (2006) ('the Committee').
 - (8) In line with the Council conclusions of 22 January 2007 and with the objectives of UNSCR 1737 (2006), restrictions on admission should be applied in respect of the persons designated by the Security Council or the Committee, as well as of additional persons, using the same criteria as those applied by the Security Council or the Committee to identify the persons concerned.
 - (9) UNSCR 1737 (2006) furthermore imposes a freezing of funds, other financial assets and economic resources, belonging to, owned, held or controlled, directly or indirectly, by the persons or entities designated by the Security Council or by the Committee as being engaged in, directly associated with, or providing support for, Iran's proliferation sensitive nuclear activities or the development of nuclear weapon delivery systems, or by persons or entities acting on their behalf or at their direction, or by entities owned or controlled by them, including through illicit means; it also imposes an obligation that no funds, financial assets or economic resources be made available to, or for the benefit of, such persons or entities.

- (10) In line with the Council conclusions of 22 January 2007 and in order to fulfil the objectives of UNSCR 1737 (2006), the freezing referred to in recital 9 should also be applicable to additional persons and entities, as determined by the Council using the same criteria as those applied by the Security Council or the Committee to identify the persons or entities concerned.
- (11) UNSCR 1737 (2006) calls upon all States to exercise vigilance and prevent specialised teaching or training of Iranian nationals of disciplines which would contribute to Iran's nuclear proliferation sensitive activities and development of nuclear weapon delivery systems.
- (12) Action by the Community is needed in order to implement certain measures,

HAS ADOPTED THIS COMMON POSITION:

Article 1

1. The direct or indirect supply, sale or transfer of the following items, materials, equipment, goods and technology, including software, to, or for the use in, or benefit of, Iran, by nationals of Member States or through the territories of Member States, or using their flag vessels or aircraft, shall be prohibited whether originating or not in their territories:

- (a) items, materials, equipment, goods and technology contained in the Nuclear Suppliers Group and Missile Technology Control Regime lists;
- (b) any additional items, materials, equipment, goods and technology, determined by the Security Council or the Committee, which could contribute to enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems;

2. It shall also be prohibited to:

- (a) provide technical assistance or training, investment, or brokering services related to items, materials, equipment, goods and technology set out in paragraph 1 and to the provision, manufacture, maintenance and use of these items, materials, equipment, goods and technology, directly or indirectly to any person, entity or body in, or for use in Iran;
- (b) provide financing or financial assistance related to items and technologies referred to in paragraph 1, including in particular grants, loans and export credit insurance, for

any sale, supply, transfer or export of these items and technologies, or for the provision of related technical training, services or assistance, directly or indirectly to any person, entity or body in, or for use in, Iran;

- (c) participate, knowingly or intentionally, in activities the object or effect of which is to circumvent the prohibition referred to in points (a) and (b).

3. The procurement by nationals of Member States, or using their flagged vessels or aircraft, of the items, materials, equipment, goods and technology referred to in paragraph 1 from Iran shall be prohibited, whether or not originating in the territory of Iran.

Article 2

1. The direct or indirect supply, sale or transfer to, or for the use in, or benefit of, Iran, by nationals of Member States or through the territories of Member States, or using their flag vessels or aircraft, of items, materials, equipment, goods and technology, including software, not covered by Article 1, that could contribute to enrichment-related, reprocessing or heavy water-related activities, to the development of nuclear weapon delivery systems or to the pursuit of activities related to other topics about which the IAEA has expressed concerns or identified as outstanding, shall be subject to authorisation on a case-by-case basis by the competent authorities of the exporting Member State. The European Community shall take the necessary measures in order to determine the relevant items to be covered by this provision.

2. The provision of:

- (a) technical assistance or training, investment, or brokering services related to items, materials, equipment, goods and technology set out in paragraph 1 and to the provision, manufacture, maintenance and use of these items, directly or indirectly, to any person, entity or body in, or for use in, Iran;
- (b) financing or financial assistance related to items and technologies referred to in paragraph 1, including in particular grants, loans and export credit insurance, for any sale, supply, transfer or export of these items, or for the provision of related technical training, services or assistance, directly or indirectly to any person, entity or body in, or for use in, Iran;

shall also be subject to an authorisation of the competent authority of the exporting Member State.

3. The competent authorities of the Member States shall not grant any authorisation for any supply, sale or transfer of the items, materials, equipment, goods and technology referred to in paragraph 1 if they determine that the sale, supply, transfer or export concerned or the provision of the service concerned would contribute to the activities referred to in paragraph 1.

Article 3

The measures imposed by Article 1(1) and (2) shall not apply where the Committee determines in advance and on a case-by-case basis that such supply, sale, transfer or provision of such items or assistance would clearly not contribute to the development of Iran's technologies in support of its proliferation sensitive nuclear activities and of development of nuclear weapon delivery systems, including where such items or assistance are for food, agricultural, medical or other humanitarian purposes, provided that:

- (a) contracts for delivery of such items or assistance include appropriate end-user guarantees; and
- (b) Iran has committed not to use such items in proliferation sensitive nuclear activities or for development of nuclear weapon delivery systems.

Article 4

1. Member States shall take the necessary measures to prevent the entry into, or transit through, their territories of:

- (a) persons listed in the Annex to UNSCR 1737 (2006) as well as of additional persons designated by the Security Council or by the Committee in accordance with paragraph 10 of UNSCR 1737 (2006). These persons are listed in Annex I;
- (b) other persons not covered by Annex I that are engaged in, directly associated with, or providing support for, Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, including through the involvement in procurement of the prohibited items, goods, equipment, materials and technology, as listed in Annex II.

2. Paragraph 1 shall not oblige a Member State to refuse its own nationals entry into its territory.

3. Paragraph 1 shall be without prejudice to cases where a Member State is bound by an obligation of international law, namely:

- (i) as a host country of an international intergovernmental organisation;
- (ii) as a host country to an international conference convened by, or under the auspices of, the United Nations;
- (iii) under a multilateral agreement conferring privileges and immunities;
- (iv) under the 1929 Treaty of Conciliation (Lateran pact) concluded by the Holy See (State of the Vatican City) and Italy.

4. Paragraph 3 shall be considered as applying also in cases where a Member State is host country of the Organisation for Security and Cooperation in Europe (OSCE).

5. The Council shall be duly informed in all cases where a Member State grants an exemption pursuant to paragraph 3 or 4.

6. Member States may grant exemptions from the measures imposed in paragraph 1 where they determine that travel is justified on the grounds of:

- (i) urgent humanitarian need, including religious obligations,
- (ii) the necessity to meet the objectives of UNSCR 1737 (2006), including where Article XV of the IAEA Statute is engaged,
- (iii) attending intergovernmental meetings, including those promoted by the European Union, or hosted by a Member State holding the Chairmanship in office of the OSCE, where a political dialogue is conducted that directly promotes democracy, human rights and the rule of law in Iran.

7. A Member State wishing to grant exemptions referred to in paragraph 6 shall notify the Council thereof in writing. The exemption shall be deemed to be granted unless one or more of the Council Members raises an objection in writing within two working days of receiving notification of the proposed exemption. Should one or more of the Council members raise an objection, the Council, acting by a qualified majority, may decide to grant the proposed exemption.

8. In cases where, pursuant to paragraphs 3, 4 and 6, a Member State authorises the entry into, or transit through, its territory of persons listed in Annex I or II, the authorisation shall be limited to the purpose for which it is given and to the persons concerned thereby.

9. Member States shall notify the Committee of the entry into, or transit through, their territories of the persons set out in Annex I, if an exemption has been granted.

Article 5

1. All funds and economic resources which belong to, are owned, held or controlled, directly or indirectly, by:

(a) persons and entities designated in the Annex to UNSCR 1737 (2006) as well as those of additional persons and entities designated by the Security Council or by the Committee in accordance with Paragraph 12 of UNSCR 1737 (2006), such persons or entities being listed in Annex I,

(b) persons and entities not covered by Annex I that are engaged in, directly associated with, or providing support for, Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, or persons or entities acting on their behalf or at their direction, or entities owned or controlled by them, including through illicit means, as listed in Annex II,

shall be frozen.

2. No funds or economic resources shall be made available, directly or indirectly, to or for the benefit of persons and entities referred to in paragraph 1.

3. Exemptions may be made for funds and economic resources which are:

(a) necessary to satisfy basic needs, including payment for food-stuffs, rent or mortgage, medicines and medical treatment, taxes, insurance premiums, and public utility charges;

(b) intended exclusively for payment of reasonable professional fees and reimbursement of incurred expenses associated with the provision of legal services;

(c) intended exclusively for payment of fees or service charges, in accordance with national laws, for routine holding or maintenance of frozen funds and economic resources,

after notification by the Member State concerned to the Committee of the intention to authorise, where appropriate, access to such funds and economic resources and in the absence of a negative decision by the Committee within five working days of such notification.

4. Exemptions may also be made for funds and economic resources which are:

(a) necessary for extraordinary expenses, after notification by the Member State concerned to, and approval by, the Committee,

(b) the subject of a judicial, administrative or arbitral lien or judgement, in which case the funds and economic resources may be used to satisfy that lien or judgement provided that the lien or judgement was entered before the date of UNSCR 1737 (2006), and is not for the benefit of a person or entity referred to in paragraph 1, after notification by the Member State concerned to the Committee.

5. Paragraph 2 shall not apply to the addition to frozen accounts of:

(a) interest or other earnings on those accounts; or

(b) payments to frozen accounts due under contracts, agreements or obligations that were concluded or arose before 23 December 2006,

provided that any such interest, other earnings and payments continue to be subject to paragraph 1.

6. Paragraph 1 shall not prevent a designated person or entity from making payment due under a contract entered into before the listing of such a person or entity, provided that the relevant Member State has determined that:

(a) the contract is not related to any of the prohibited items, materials, equipment, goods, technologies, assistance, training, financial assistance, investment, brokering or services referred to in Article 1;

(b) the payment is not directly or indirectly received by a person or entity referred to in paragraph 1;

and after notification by the relevant Member State to the Committee of the intention to make or receive such payments or to authorize, where appropriate, the unfreezing of funds or economic resources for this purpose, 10 working days prior to such authorisation.

Article 6

Member States shall, in accordance with their national legislation, take the necessary measures to prevent specialised teaching or training of Iranian nationals, within their territories or by their nationals, of disciplines which would contribute to Iran's proliferation sensitive nuclear activities and development of nuclear weapon delivery systems.

Article 7

1. The Council shall implement modifications to Annex I on the basis of the determinations made by the Security Council or by the Committee.

2. The Council, acting by unanimity upon proposals of Member States or the Commission, shall establish the list in Annex II and adopt modifications thereto.

Article 8

1. This Common Position shall be reviewed, amended or repealed as appropriate, notably in the light of relevant decisions by the UNSC.

2. The measures referred to in Articles 4 (1)(b) and 5(1)(b) shall be reviewed in regular intervals and at least every 12 months. They shall cease to apply in respect of the persons and entities concerned if the Council determines, in accordance with the procedure referred in Article 7(2), that the conditions for their application are no longer met.

Article 9

This Common Position shall take effect on the date of its adoption.

Article 10

This Common Position shall be published in the *Official Journal of the European Union*.

Done at Brussels, 27 February 2007.

For the Council
The President
P. STEINBRÜCK

ANNEX I

List of persons referred to in Article 4(1)(a) and of persons and entities referred to in Article 5(1)(a)

A. Natural Persons

1. Mohammad Qannadi, AEOI Vice-President for Research & Development
2. Behman Asgarpour, Operational Manager (Arak)
3. Dawood Agha-Jani, Head of the PFEP (Natanz)
4. Ehsan Monajemi, Construction Project Manager, Natanz
5. Jafar Mohammadi, Technical Adviser to the AEOI (in charge of managing the production of valves for centrifuges)
6. Ali Hajinia Leilabadi, Director General of Mesbah Energy Company
7. Lt Gen. Mohammad Mehdi Nejad Nouri, Rector of Malek Ashtar University of Defence Technology (chemistry dept, affiliated to MODALF, has conducted experiments on beryllium)
8. Gen. Hosein Salimi, Commander of the Air Force, IRGC (Pasdaran)
9. Ahmad Vahid Dastjerdi, Head of the AIO
10. Reza-Gholi Esmaeli, Head of Trade & International Affairs Dept, AIO
11. Bahmanyar Morteza Bahmanyar, Head of Finance & Budget Dept, AIO
12. Maj. Gen. Yahya Rahim Safavi, Commander, IRGC (Pasdaran)

B. Entities

1. Atomic Energy Organisation of Iran
 2. Mesbah Energy Company (provider for A40 research reactor — Arak)
 3. Kala-Electric (aka Kalaye Electric) (provider for PFEP — Natanz)
 4. Pars Trash Company (involved in centrifuge programme, identified in IAEA reports)
 5. Farayand Technique (involved in centrifuge programme, identified in IAEA reports)
 6. Defence Industries Organisation (overarching MODAFL-controlled entity, some of whose subordinates have been involved in the centrifuge programme making components, and in the missile programme)
 7. 7th of Tir (subordinate of DIO, widely recognized as being directly involved in the nuclear programme)
 8. Shahid Hemmat Industrial Group (SHIG) (subordinate entity of AIO)
 9. Shahid Bagheri Industrial Group (SBIG) (subordinate entity of AIO)
 10. Fajr Industrial Group (formerly Instrumentation Factory Plant, subordinate entity of AIO)
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ANNEX II

List of persons referred to in Article 4(1)(b) and of persons and entities referred to in Article 5(1)(b)
