

European Union Sanctions against Iran as of 26 July 2010

Overview of new EU Sanctions measures

On 26 July 2010 the Foreign Affairs Council of the European Union (EU) adopted a package of further restrictive measures against Iran, including in the areas of trade, financial services, energy and transport. For more information you should read the full text of the [Council Decision of 26 July 2010](#). See also the frequently asked questions you might have in relation to export licence applications and exporting to Iran.

The Council also adopted a Regulation extending the asset freeze against listed entities and individuals with effect from 27 July 2010. Read the [Council Implementing Regulation \(EU\) No 668/2010](#). An overview of the financial sanctions restrictions is provided below.

Frequently Asked Questions about export licensing and the new restrictions on Iran

- ***What goods will the new restrictions cover?***

The EU intends to bring forward a Regulation implementing these restrictive measures in September. Negotiations on the exact measures to be contained in the Regulation, and the goods to be covered, are still continuing. Unfortunately it is not possible to say now what the Regulation will contain.

As soon as we are able, we will publish more information on the export control pages of the Businesslink and BIS websites and through a further Notice to Exporters.

- ***How will this affect new contracts that I might win between now and September?***

Until the Regulation is published it is not possible for us to say how any new business will be affected by these new measures. Remember that the UK Government does not encourage trade with, or investment in, Iran and has withdrawn all commercial support for trade with Iran. However, outside of the current sanctions regime the Government cannot prevent you from taking on new work in Iran. Clearly though you would proceed at your own risk. Having weighed up the risks, the final decision on whether to trade with Iran lies with you. However if your business dealings get into trouble, or the Regulation prevents you from complying with your contractual obligations, the Government will not be able to assist.

- ***What about licence applications I have already submitted?***

We are currently assessing the impact on outstanding licence applications and we expect to have a clearer understanding of this in the coming days. We will provide further information as soon as possible.

Financial Sanctions

[Council Regulation \(EC\) No 423/2007](#) of 19 April 2007 concerns restrictive measures against Iran. Article 7(2) of Regulation 423/2007 provides for the Council to identify persons subject to the financial sanctions imposed by this regulation. These persons are listed in Annex V to Regulation 423/2007.

Council Regulation (EU) 668/2010 came into force on 27 July 2010. The Regulation amends Annex V of Council Regulation (EU) 423/2007 and extends the list of persons and entities subject to an asset freeze. As a result all funds and economic resources belonging to, owned, held or controlled by persons in listed Annex V to Regulation 423/2007 as amended by Regulation (EU) 668/2010 must be frozen. No funds or economic resources are to be made available, directly or indirectly, either to or for the benefit of persons listed in Annex V unless authorised by HM Treasury.

The entities listed in Annex V include Bank Mellat and the Islamic Republic of Iran Shipping Lines (IRISL) together with all their branches and certain named subsidiaries. From 27 July 2010 Bank Mellat, IRISL and all their branches, wherever located, are subject to both the asset freeze prohibitions and the financial restrictions in the Financial Restrictions (Iran) Order 2009.

Her Majesty's Treasury has issued a Financial Sanctions notification dated 27 July 2010 in respect of financial measures taken against Iran. Details of the Financial Sanctions Notification can be accessed on the HMT website:

http://www.hm-treasury.gov.uk/d/fin_sanctions_iran_270710.pdf

For further information about financial sanctions please see:

http://www.hm-treasury.gov.uk/fin_sanctions_index.htm.

Iran List

The "Iran List" which is published on the export control pages of the Businesslink website has also been updated to include the companies and organisations (but not the individuals) listed in Annex V. This should enable companies to refer to just one list when checking prospective customers.

If you are asked for a letter of invitation for an Iranian individual which may be used to support a visa application, you should also check the Iran List at the weblink below to ensure that your visitor is not included.

The Iran List is designed to help exporters, by identifying Iranian and Iranian-associated entities that are of concern to ECO. For the latest version of the list see:

<http://www.businesslink.gov.uk/bdotg/action/detail?r.lc=en&type=RESOURCES&itemId=1084710701>

Applying for an export licence to Iran

Exporters can apply for an export licence for their goods. All applications are considered on a case-by-case basis in line with the provisions of the "Consolidated EU and National Arms Export Licensing Criteria". All licence applications should be made via the SPIRE (export licensing database) website - <https://www.spire.bis.gov.uk>

If you are applying for a licence, you should be aware of the latest licence processing statistics in specific relation to exports to Iran:

- Median processing time (SIELs/SITCLs) 47 days
 - % and number of all SIELs/SITCLs completed in 20 working days 29% (97)
 - % and number of all SIELs/SITCLs completed in 60 working days 58% (189)
 - % of all SIELs/SITCLs completed beyond 60 working days 42%
- (Note: SIELs = Standard Individual Export Licences / SITCLs = Standard Individual Trade Control Licences)

Statistics published in "Strategic Export Controls: Quarterly Report January - March 2010"
For more information see the Strategic Export Controls Reports and Statistics website - <https://www.exportcontroldb.berr.gov.uk/eng/fox>

Exporters can also make either self-rate their goods or making a rating request (via SPIRE) to determine if their goods are licensable (in other words listed as requiring an export licence on the "UK Strategic Export Control Lists"). For more information see:

<http://www.businesslink.gov.uk/bdotg/action/layer?r.s=m&r.l1=1079717544&r.lc=en&r.l3=1084302974&r.l2=1084228483&topicId=1084302974&r.i=1084303852&r.t=RESOURCES>

The ECO also provides the Iran End-User Email Advice Service which aims to provide quick advice to exporters on whether there are any concerns with exporting to an end-user in Iran. For more information see:

<http://www.businesslink.gov.uk/bdotg/action/layer?r.s=tl&r.l1=1079717544&r.lc=en&r.l2=1084228483&topicId=1084642104>

Related information

- Details of current arms embargoes are published on the Businesslink site at: <http://www.businesslink.gov.uk/bdotg/action/layer?r.s=tl&r.l1=1079717544&r.lc=en&r.l2=1084228483&topicId=1084100244>
- From this page you can navigate through to access a summary of **Current Arms Embargoes and Other Restrictions** and links to individual country pages with current arms embargoes in force.

- Businesslink Guide on “Arms embargo on Iran”
<http://www.businesslink.gov.uk/bdotg/action/layer?r.s=tl&r.l1=1079717544&r.lc=en&r.l3=1084100244&r.l2=1084228483&topicId=1084127310>
- Further information on Iran Sanctions available on the FCO website:
<http://www.fco.gov.uk/en/about-us/what-we-do/services-we-deliver/business-services/export-controls-sanctions/country-listing/iran>
- General Businesslink guide to “Sanctions, embargoes and restrictions”
<http://www.businesslink.gov.uk/bdotg/action/layer?r.s=m&r.l1=1079717544&r.lc=en&r.l3=1078151991&r.l2=1077717207&topicId=1078151991&r.i=1078157118&r.t=RESOURCES>

Further Details

For further details of strategic export controls please contact:

ECO Helpline

Department for Business, Innovation and Skills

3rd Floor, 1 Victoria Street

London, SW1H 0ET

Tel: 020 7215 4594

Fax: 020 7215 2635

E-mail: eco.help@bis.gsi.gov.uk

Website: <http://www.bis.gov.uk/exportcontrol> or <http://www.businesslink.gov.uk/exportcontrol>

SPIRE (Export Licensing Database): <https://www.spire.bis.gov.uk>

This notice is for information purposes only and has no force in law. Please note that where legal advice is required exporters should make their own arrangements.

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