S Department for Business Innovation & Skills

NOTICE TO EXPORTERS – 2010/25

UPDATE ABOUT EXPORT LICENCE APPLICATION ASSESSMENTS AND EUROPEAN UNION SANCTIONS ON IRAN

Update to Notice to Exporters 2010/21 (issued on 4 August 2010)

1. Following the announcement in the <u>EU Council Decision</u> of additional EU sanctions on Iran by the EU Foreign Affairs Council on 26 July 2010, the Export Control Organisation (ECO) are currently assessing how that announcement impacts on outstanding, and future, licence applications.

2. What we can **now** say is that the export to Iran, of any goods and technology listed in Annex 1 to <u>Council Regulation No 428/2009</u> - with the exception of Category 5 parts 1 and 2 (which relate to cryptographic equipment) - is, with effect from 26 July 2010, prohibited. This means that any applications that were submitted prior to that date but not yet determined, or submitted on or after that date, will now be refused in accordance with the Council Decision.

3. Further restrictive measures have been agreed in principle, but their precise details have yet to be determined. These are:

- certain items which currently feature on Annex II of the <u>Council Regulation</u> (EC) No.423/2007 (as amended)("the Iran Regulation"), and therefore subject to risk assessment on a case by case basis (and thus will be either issued or refused dependant on the results of that risk assessment) will move to Annex I of the Iran Regulation. This will mean that their export will then become prohibited.
- the sale supply, or transfer of key equipment and technology for Iran's oil and natural gas industries will become prohibited. We anticipate that a list of key products will be agreed across the EU and the export of any product that features on that list will be banned.

These measures are not yet effective until full details have been established in consultation with other EU Member States. We will update you as soon as we know more.

Reminder about Financial Sanctions

4. Additional financial restrictions relating to Iran also came into effect on 26 July 2010, including sanctions on several Iranian banks (as announced in Notice 2010/21). These restrictions are operated by HM Treasury, **not** by the ECO. You should consult your bankers and the HM Treasury website at <u>http://www.hm-treasury.gov.uk</u> now to find out what effects these measures will have on Iran-related business.

Related information

• Details of current arms embargoes are published on the Businesslink site at: <u>http://www.businesslink.gov.uk/bdotg/action/layer?r.s=tl&r.l1=1079717544&r.lc=</u> <u>en&r.l2=1084228483&topicId=1084100244</u>

- 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"
 <u>http://www.businesslink.gov.uk/bdotg/action/layer?r.s=tl&r.l1=1079717544&r.lc=</u>
 en&r.l3=1084100244&r.l2=1084228483&topicId=1084127310
- Further information on Iran Sanctions available on the FCO website: <u>http://www.fco.gov.uk/en/about-us/what-we-do/services-we-deliver/business-</u> <u>services/export-controls-sanctions/country-listing/iran</u>
- General Businesslink guide to "Sanctions, embargoes and restrictions"
 <u>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=107815711
 8&r.t=RESOURCES
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Contact for further information

5. For further details of strategic export controls please contact:

ECO Helpline Export Control Organisation Department for Business, Innovation and Skills 3rd Floor, 1 Victoria Street London SW1H 0ET

Tel: 020 7215 4594 Fax: 020 7215 2635 E-mail: <u>eco.help@bis.gsi.gov.uk</u>

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.

20 August 2010 NTE201025