

OFAC Issues General Licenses to Ease Flow of Humanitarian Aid to Afghanistan

Terry M. Frederic

September 27, 2021

Last Friday, the Office of Foreign Assets Control issued two general licenses aimed at facilitating humanitarian assistance and the provision of essential supplies to the people of Afghanistan. Subject to exceptions, the general licenses establish blanket authorizations for transactions involving the Taliban or the Haqqani Network (and entities directly or indirectly owned by the same) that are "ordinarily incident and necessary" to the humanitarian efforts of certain entities, as well as transactions relating to the exportation or re-exportation of agricultural and medical items. The general licenses ease restrictions on humanitarian activities that may otherwise violate U.S. sanctions laws.

Specifically, General License No. 14 authorizes all transactions ordinarily incident and necessary to the provision of humanitarian assistance to Afghanistan—or other activities that support basic human needs in Afghanistan—by the following entities, their employees, grantees, contractors, and other persons acting on their behalf:

- The United States Government;
- Nongovernmental organizations ("NGOs");
- The United Nations, including its Programmes, Funds, and Other Entities and Bodies, as well as its Specialized Agencies and Related Organizations;
- The International Centre for Settlement of Investment Disputes and the Multilateral Investment Guarantee Agency;
- The African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, and the Inter-American Development Bank Group, including any fund entity administered or established by any of the foregoing;
- The International Committee of the Red Cross and the International Federation of Red Cross and Red Crescent Societies; and
- The Islamic Development Bank.

Activities authorized pursuant to General License No. 14 include the provision of relief services, healthcare services, and other activities that support basic human needs.

General License No. 15 more broadly authorizes the export and re-export of the following agricultural, food, and medical items to Afghanistan and to persons in third countries for resale to

Afghanistan:

- Agricultural commodities (*e.*, products falling within the term "agricultural commodity" under section 102 of the Agricultural Trade Act of 1978) that are intended for ultimate use in Afghanistan as food for humans, seeds for food crops, fertilizers or organic fertilizers, or reproductive materials;
- Medicine (*e.*, an item falling within the term "drug" under section 201 of the Federal Food, Drug, and Cosmetic Act); and
- Medical, devices, replacement parts and components for medical devices, and software updates for medical devices (*e.*, falling within the definition of "device" under section 201 of the Federal Food, Drug, and Cosmetic Act).

Neither authorize any debit to a blocked account on the books of a U.S. financial institution. Financial transfers to blocked persons are also generally prohibited, unless they are made for purposes of effecting payment of taxes, fees, or import duties, or the purchase or receipt of permits, licenses, or public utility services.

BOTTOM LINE

While Afghanistan continues to present heightened sanctions risks for U.S. and non-U.S. persons, these developments should provide assurance to U.S. and non-U.S. companies, NGOs, charities, and financial institutions that the enumerated humanitarian activities are permissible under U.S. sanctions regulations, so long as parties comply with the terms and conditions of the licenses.

Please contact our sanctions and export control team with any questions about compliance with U.S. sanctions related to the Taliban or Afghanistan.