

U.S. ECONOMIC SANCTIONS UPDATE: IRAN



January 16, 2016

The United States Lifts Secondary Sanctions on Iran and Takes Steps to Implement Certain Other Limited Sanctions Relief

Today, pursuant to the July 14, 2015 agreement reached between the P5+1 – (China, France, Germany, Russia, the United Kingdom, and the United States), the European Union, and Iran (the Joint Comprehensive Plan of Action (JCPOA)), the United States government, acting through the U.S. Treasury’s Office of Foreign Assets Control (“OFAC”), announced the lifting of U.S. nuclear-related economic sanctions on Iran, as provided in the JCPOA. OFAC also issued a general license to authorize certain transactions relating to foreign entities owned or controlled by a United States Person, and issued a statement of licensing policy for activities related to the exportation to Iran of commercial passenger aircraft. In addition, OFAC will publish a final rule adding a general license authorizing the importation into the United States of Iranian-origin carpets and foodstuffs, including pistachios and caviar.

U.S. economic sanctions on Iran fall into two general categories: Primary sanctions and secondary sanctions, which are mainly nuclear-related sanctions. The primary sanctions with which U.S. persons or transactions with a U.S. nexus must comply are still in force and have not been lifted, except in the limited fashion, as indicated above.

The secondary or nuclear-related sanctions which provide for the imposition of sanctions on non-U.S. persons engaging in certain specified activity with or involving Iran have been lifted. Secondary sanctions generally are directed toward non-U.S. persons for specified conduct involving Iran that occurs entirely outside of U.S. jurisdiction and does not involve U.S. persons. Non-U.S. persons benefit most from today's lifting of sanctions.

In connection with reaching Implementation Day and the lifting of the nuclear-related sanctions, OFAC issued several documents. Specifically, OFAC posted to its website:

1. **Guidance** Relating to the Lifting of Certain Sanctions Pursuant to the Joint Comprehensive Plan of Action on Implementation Day;
2. **Frequently Asked Questions** Relating to the Lifting of Certain U.S. Sanctions Under the Joint Comprehensive Plan of Action (JCPOA) on Implementation Day;
3. **General License H:** Authorizing Certain Transactions relating to Foreign Entities Owned or Controlled by a United States Person; and a
4. **Statement of Licensing Policy** for Activities Related to the Export or Re-Export to Iran of Commercial Passenger Aircraft and Related Parts and Services. The aforementioned documents are effective today, January 16, 2015.
5. In addition, OFAC has posted a copy of the rule it has submitted for publication in the *Federal Register* adding a **general license** relating to the importation into the United States of Iranian-origin carpets and foodstuffs, including pistachios and caviar; this general license will be effective upon publication in the Federal Register.
6. OFAC has also published on its website **additional information** regarding actions to give effect to other JCPOA commitments, including removals from the Specially Designated Nationals and Blocked Persons List, the Foreign Sanctions Evaders List, and/or the Non-SDN Iran Sanctions Act List, as appropriate.

All of the above-mentioned documents are attached hereto or they and other, related documents can be accessed on OFAC's website through: https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/jcpoa_implementation.aspx

Questions and Further Guidance

For more information or questions regarding the subject covered in this *Economic Sanctions Update*, please contact:

Hal Eren	Washington, DC	☎ + 1 202 429 9883	hal.eren@erenlaw.com
Steven Pinter	Washington, DC	☎ + 1 202 429 9883	steven.pinter@erenlaw.com

The Eren Law Firm is an economic sanctions boutique. Its other core areas of concentration and practice include corporate transactions, and international dispute resolution, anti-money laundering, and international trade regulation. The Firm's clients from around the world include banks and financial institutions; insurance, reinsurance and other financial services companies; natural resource extraction companies, industrial companies, marine and air transportation companies, ship owners; sovereign governments; foreign state enterprises; and individuals.

Mr. Eren and Mr. Pinter of the Firm served in senior positions at the U.S. Treasury's Office of Foreign Assets Control (OFAC), the U.S. government agency that administers and enforces U.S. economic sanctions, for a combined 25 years prior to entering private law practice, respectively 14 and 13 years ago, and since this time, they have devoted and continue to devote most of their time in private practice to economic sanctions issues and matters, particularly those involving Iran.

This *Economic Sanctions Update* has been prepared and disseminated by The Eren Law Firm for informational purposes only and it does not constitute legal advice. The information contained in this *Economic Sanctions Update* is not intended to create, and the receipt of it does not constitute an attorney-client relationship or legal advice.

Dissemination and duplication of this *Economic Sanctions Update*, in whole or in part, is authorized with attribution/credit.

© Copyright. The Eren Law Firm.