



# THE JAPAN SHIP OWNERS' MUTUAL PROTECTION & INDEMNITY ASSOCIATION

## SPECIAL CIRCULAR

To the Members

No. 14-012  
27 November 2014

Dear Sirs,

### **Further Extension of Temporary Iran Sanctions Relief under the Joint Plan of Action**

This Circular should be read in conjunction with our previous Circular [No.14-007](#) of 28 July 2014 and [related previous Circulars](#).

On 24 November 2013 a Joint Plan of Action was agreed by the P5+1 (China, France, Germany, the Russian Federation, UK and USA) and Iran under which certain sanctions against Iran were to be temporarily suspended in exchange for undertakings from Iran about its nuclear programme. The temporary suspension began on 20 January 2014 and was set to run until 20 July 2014. It was later agreed that the temporary suspension would continue until 24 November 2014.

Although there has been no long-term comprehensive agreement on Iran's nuclear programme, it was reported on 24 November 2014 that the suspension would continue. On 25 November 2014 the EU confirmed via a [Press Release](#) and [EU Council Decision 2014/829/CFSP](#) that the temporary relief would be extended until 30 June 2015. On the same date the USA issued a [new Guidance](#) relating to the further extension of the temporary sanctions relief up to 30 June 2015.

One of the reliefs agreed by the Joint Plan of Action is to allow the provision of insurance in relation to the import, purchase or transport of Iranian crude oil and petrochemical products. There is no guarantee, however, that this temporary sanctions relief will continue after 30 June 2015. Relevant contracts must therefore be executed by 30 June 2015 so as not to fall foul of any sanctions renewed after that date.

All sanctions not covered by the JPOA temporary relief remain in place.

In addition, apparent differences between the US and EU regarding the insurance provisions of the relief mean that the overall effect of the extended relief is one of "no change". The US Government has confirmed that insurance payments for claims arising from incidents which occur during the JPOA temporary relief period may be paid after 30 June 2015. However, there is no confirmation of this from the EU-side. This suggests that any insurance payments after 30 June 2015 relating to incidents occurring during the period might be in breach of EU sanctions. Clarification of this is being sought.

Furthermore, US persons and foreign entities owned or controlled by US persons continue to be generally prohibited from conducting transactions with Iran, even the type of transactions permitted by the JPOA agreement, unless licensed to do so by OFAC.

Members should therefore continue to tread carefully as regards entering into contracts which could involve a breach of sanctions, and should contact the Association for assistance should they be in any doubt.

Yours faithfully,

**The Japan Ship Owners' Mutual Protection & Indemnity Association**