

# JAPAN P&I NEWS

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To the Members

Dear Sirs,

## **Sudan Sanctions — US decides to lift sanctions targeting Sudan**

On 13 January 2017, the US Department of the Treasury's Office of Foreign Assets Control (OFAC) issued a general licence amending the Sudanese Sanctions Regulations, the result of which is that with effect from 17 January 2017 transactions involving Sudan previously prohibited are now authorised.

By way of example, the following restrictions no longer apply:

- Prohibitions on all transactions or activities related to the petroleum or petrochemical industries in Sudan by United States persons.
- Import bans on all goods or services originating in non-specified areas of Sudan into the US, either directly or through third countries.
- Prohibitions on export or reexport of goods, technology or services to Sudan from the US or by a US person.
- Blocks on all property and interests in property in respect of transactions of the Government of Sudan located in the US or within the control of a United States person, including individuals and entities that are owned or controlled by, or act on behalf of, the Government of Sudan anywhere in the world.
- Prohibitions on financial dealings with Sudan, including the performance by any US person of any contract, including a financing contract, in support of an industrial, commercial, public utility, or governmental project in Sudan.

Note that recordkeeping requirements apply to those who would take advantage of the licence; there are no pre-authorisation or reporting requirements.

On the same day, the President issued Executive Order 13761 which declares that with effect from 12 July 2017 these US sanctions targeting Sudan would be revoked, provided that the US Government, on or before that date, is satisfied that the Government of Sudan has sustained its positive actions that gave rise to this Executive Order. The effect would be that the sanctions now subject to general licence would be eliminated entirely. We note that this change was put into place under the Obama Administration; it is possible that OFAC could, under President Trump's leadership, amend or reverse this course of action.

The general licence and the Executive Order do not affect the sanctions imposed by the US in relation to the conflict in Sudan's Darfur region, which will remain in place. Neither are sanctions on SDNs or transactions involving military, proliferation or terrorism affected; licences are still required for many exports and reexports of US goods. In practice, therefore, US sanctions are now more similar to EU sanctions than they were prior to the recent change.

Please see the press release from OFAC, which is as below, for further details.

[https://www.treasury.gov/resource-center/sanctions/Programs/Documents/sudan\\_fact\\_sheet.pdf](https://www.treasury.gov/resource-center/sanctions/Programs/Documents/sudan_fact_sheet.pdf)

Yours faithfully,

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