

JAPAN P&I NEWS

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To the Members

Dear Sirs,

Iran Sanctions – US extends Iran sanctions for 10 years while also extending export authorisation

At the start of December 2016, the US Senate and House of Representatives voted to extend the President's right to impose sanctions on Iran for ten (10) years. This change is a statutory delegation of authority to the President, required to prevent automatic termination of the President's authority; it does not change any existing sanction on Iran.

Neither does the vote change the US "relaxation" of certain extraterritorial sanctions under the Joint Comprehensive Plan of Action (JCPOA). It has, however, been criticised heavily by Iran, including being described as a breach of the terms of the JCPOA. The approach the US will take in relation to the JCPOA and in relation to its sanctions on Iran will remain uncertain until the incumbent US administration under Donald Trump has made its official position clearer.

In addition, on 23 December 2016, the US Department of the Treasury's Office of Foreign Assets Control (OFAC) expanded the scope of medical devices and agricultural commodities permitted for export and reexport to Iran. Certain agricultural commodity items remain excluded from this general licence, and restrictions on which entities in Iran can receive such exports remain in place.

Please see the press release from OFAC, which is as below, for further details in relation to the extension of the export authorisation.

<https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20161222.aspx>

Yours faithfully,

The Japan Ship Owners' Mutual Protection & Indemnity Association