

Advisory on the US' unilateral sanctions on Iran

1. On 8 May 2018, the US announced its withdrawal from the Joint Comprehensive Plan of Action (JCPOA) and the reinstatement of US unilateral sanctions against Iran.
2. The first tranche of sanctions took effect on 7 Aug 2018. These pertained to the purchase or acquisition of US dollar bank notes by the Government of Iran; Iran's trade in gold and precious metals; the sale or transfer of or from Iran of graphite and metals, such as aluminium and steel, coal, and software for integrating industrial processes; certain transactions related to the Rial; certain transactions related to the issuance of Iranian sovereign debt; and Iran's automotive sector. Transactions related to the purchase of commercial passenger aircraft were also prohibited.
3. The second tranche of sanctions came into effect on 5 Nov 2018. These included sanctions on Iran's port operators, and shipping and shipbuilding sectors; purchase of petroleum, petroleum products, or petrochemical products from Iran; transactions by foreign financial institutions with Central Bank of Iran (CBI) and designated Iranian financial institutions; provision of specialised financial messaging services to the CBI and designated financial institutions; economic activity in the financial, energy, and shipping sectors.
4. On 8 May 2019, the US issued a new Executive Order imposing sanctions on the iron, steel, aluminium, and copper sectors of Iran. There will be a 90-day wind-down period for prohibited dealings, which will end by 6 August 2019.
5. Companies may wish to consider any potential impact on their operations that may arise from these unilateral sanctions and should refer to <https://www.treasury.gov/resource-center/sanctions/Programs/Pages/iran.aspx> for more details.