

Advisory on the United States' sanctions on Iran

1. On 8 May 2018, the United States (US) announced its withdrawal from the Joint Comprehensive Plan of Action (JCPOA) and the reinstatement of US 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 took 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; and economic activity in the financial, energy, and shipping sectors. The third tranche of US sanctions on Iran's iron, steel, aluminium, and copper sectors took effect on 7 Aug 2019. The fourth tranche of US sanctions on Iran's construction, mining, manufacturing and textiles sectors took effect on 10 Apr 2020.
4. On 11 Dec 2019, the US announced the designation of the Islamic Republic of Iran Shipping Lines (IRISL) and E-Sail Shipping Company Ltd pursuant to Executive Order 13382. The designation, which results in sanctions against both entities, came into effect on 8 Jun 2020. It covers any persons determined to have engaged in activities contributing to the proliferation of weapons of mass destruction or their means of delivery; have provided financial, material, technological or other support for such activities; or have acted on behalf of persons whose property are blocked under the Executive Order.
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.