

Bird & Bird

Newsflash

Iran: EU makes the first move by suspending certain restrictive measures

In view of the implementation of the [Joint Plan of Action](#) agreed by Iran and the EU3+3, the EU has taken the first step by suspending certain EU restrictive measures against Iran for a period of six months. This has been done by adopting a new [Council Regulation](#) amending the [restrictive measures against Iran](#). The new Council Regulation has come into force on January 20, 2014 and is directly applicable in all 28 EU Member States.

The new Council Regulation temporarily suspends the following restrictive measures:

- *The prohibition on the provision of insurance and reinsurance and transport of Iranian crude oil*

As of January 20, 2014, it is allowed to transport and export petroleum oil and oils obtained from bituminous minerals (i.e. crude oil), falling under HS heading 2709 00, from Iran to any other third country. In addition, it is allowed to provide insurance and re-insurance related to the import, purchase or transport of the aforementioned crude oil.

- *The prohibition on the import, purchase or transport of Iranian petrochemical products and on the provision of related services*

As of January 20, 2014, it is allowed to import into the EU, purchase or transport petrochemical products that originate or are located in or have been exported from Iran. In relation thereto, it is also permitted to make available vessels as well as related services such as financing, financial assistance, insurance and re-insurance.

Furthermore, the competent authorities of the EU Member States may authorise the release or the making available of funds or economic resources to the Iranian Ministry of Petroleum (being a listed designated Iranian entity), if this is deemed necessary for the execution of contracts for the import or purchase of petrochemical products originating in or imported from Iran.

- *The prohibition on trade in gold and precious metals*

As of January 20, 2014, it is also permitted to sell, supply, transfer or export, gold and precious metals (excluding diamonds) with the Iranian government, its public bodies and the Central Bank of Iran.

Finally, the new Council Regulation provides for a tenfold increase of the thresholds for authorising transfers of funds to and from Iran in order to ease legitimate trade with Iran.

The above mentioned prohibitions have been suspended for a period of six months during which the relevant contracts will have to be executed.

For the sake of clarity it is important to stress that the new Council Regulation does not include the suspension of prohibitions and controls on (among others) the supply of petrochemical goods and technology to Iran, the supply of dual use goods and technology to Iran and dealings with designated parties.

Contact us

For more information about the subject please do not hesitate to contact our Trade & Customs team (brian.mulier@twobirds.com and goran.danilovic@twobirds.com).