

LIFTING OF IRAN SANCTIONS: TOP 10 THINGS TO CONSIDER



There have been reports over the past few days that a statement from the International Atomic Energy Agency (IAEA) verifying that Iran has complied with its obligations pursuant to the Joint Comprehensive Plan of Action (JCPOA) is imminent.

If the IAEA does verify that Iran has complied with its obligations under the JCPOA, then the sanctions relief summarised in our November 2015 briefing¹ will come into effect.

Broadly speaking, this means that the bulk of the EU sanctions and many of the US extra-territorial sanctions will be lifted, although there will be almost no changes to the US domestic sanctions. Many, but not all, of the individuals and entities which are included on the US SDN list and the list of EU sanctions targets will be de-listed.

While trade with Iran offers a host of opportunities, some restrictions will remain in place even after this phase of sanctions relief and the following checklist identifies some of the key points which need to be considered.

1. Are any US persons involved?
2. Do any payments need to be made in US dollars?
3. Does the transaction involve the supply of any US origin goods or goods with US content?
4. Is your Iranian counterparty, or any other party involved in the transaction (e.g. a port operator or agent) still included on an applicable sanctions list (or is owned or controlled or acting on behalf of such an individual or entity)?
5. Have you checked that the cargo is no longer subject to any restrictions?
6. Can you document and evidence the checks which you have carried out?
7. Do you have any pre-existing banking covenants or other contractual warranties or restrictions (e.g. trading limits or policy restrictions) which limit your ability to trade with Iran?

¹ See <http://www.hfw.com/Iran-sanctions-is-the-end-in-sight-November-2015>



8. Have you spoken to your bank and insurers and confirmed that they are prepared to support the transaction, in respect of payment and unqualified cover?
9. Have you considered how you would deal with any claims from third parties in Iran if those third parties are still included on an applicable sanctions list?
10. Do you need Iranian law advice, e.g. on the local requirements to sell your goods in Iran?

If you are considering conducting business in or with Iran/Iranian entities, you should continue to seek legal advice to ensure that your transactions comply with any remaining sanctions requirements.

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