



Office of
Deputy Commissioner
of Maritime Affairs

THE REPUBLIC OF LIBERIA LIBERIA MARITIME AUTHORITY

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MARINE ADVISORY: 08/2018

SUBJECT: Developments Regarding Sanctions against the Islamic Republic of Iran imposed by the United States

- Ref:** (a) **Marine Advisory 03/2016**
(b) **Marine Advisory 06/2015**
(c) **Marine Advisory 02/2012**
(d) **Marine Advisory 05/2012**
(e) **Marine Advisory 06/2010**
(f) **Marine Advisory 05/2010**

TO: ALL OWNERS/OPERATORS AND MASTERS OF LIBERIAN FLAGGED VESSELS
Dear Owner/Operator and Master:

On May 8, 2018, the United States' President announced his decision to cease the U.S. participation in the Joint Comprehensive Plan of Action (JCPOA), and to begin re-imposing, following a wind-down period, the U.S. nuclear-related sanctions that were lifted to effectuate the JCPOA sanctions relief in 2016, as noted in Marine Advisory 03/2016.

This means that in addition to the primary U.S. embargo on Iran, as a result of which U.S. persons and companies continue to be broadly prohibited from engaging in transactions or dealings directly or indirectly with Iran or its government, the U.S. secondary sanctions shall apply to foreign persons involved in trade activity with Iran.

To implement the President's direction, the U. S. Department of State and the Treasury will take steps necessary to establish a 90-day and 180-day wind-down period for activities involving Iran that were consistent with the U.S. sanctions relief provided for under the JCPOA.

Sanctions re-imposed after August 6, 2018

After the 90-day wind-down period ending on **August 6, 2018**, the U.S. government has re-imposed sanctions, *i.a.*, on Iran's trade in gold and precious metals; on the direct or indirect sale, supply, or transfer to or from Iran of graphite, raw, or semi-finished metals such as aluminum and steel, coal, and software for integrating industrial processes; on Iran's automotive sector.

The sanctions are re-imposed on associated services including any insurance, transportation or financial services ordinarily incident to the underlying trade activities, and may thus have indirect impact on the availability of support services to vessels in Iran trade.

Shipping and financial sector related sanctions re-imposed after November 4, 2018

Following the 180-day wind-down period ending on **November 4, 2018**, the U.S. government will re-impose sanctions, *i.a.*, on the following activities and associated services:

- i. Sanctions on Iran's port operators, and shipping and shipbuilding sectors, including on the Islamic Republic of Iran Shipping Lines (IRISL), South Shipping Line Iran, or their affiliates;
- ii. Sanctions on petroleum-related transactions with, among others, the National Iranian Oil Company (NIOC), Naftiran Intertrade Company (NICO), and National Iranian Tanker Company (NITC), including the purchase of petroleum, petroleum products, or petrochemical products from Iran;
- iii. Sanctions on transactions by foreign financial institutions with the Central Bank of Iran and designated Iranian financial).

Furthermore, no later than November 5, 2018, the U.S. Government will re-impose, as appropriate, the sanctions that applied to persons removed from the List of Specially Designated Nationals and Blocked Persons (SDN List) and/or other lists maintained by the U.S. government.

Discussion

The abovementioned sanctions have direct impact on the shipping industry and financial channels often used to make payments in shipping-associated transactions. All non-U.S., non-Iranian persons are advised to immediately wind down their activities with or involving Iran that will become sanctionable at the end of the applicable wind-down period. If the sanctionable activities continue beyond the wind-down period deadlines, penalties may be imposed.

In case a non-U.S., non-Iranian party who has wound down a pre-May 8, 2018 contract within the applicable deadline of either August 6 or November 4 and is still owed payment for goods and services by an Iranian contract counterparty after the wind-down deadlines, that payment can be received after the conclusion of the wind-down period. However, such payments cannot involve the U.S. financial system or U.S. persons.

Given these developments, any parties trading with Iran should now exercise caution and thoroughly review the status of the U.S. secondary sanctions against Iran to determine whether their activities may expose them to penalties.

Registry staff is available to responds to any questions to help direct Owners and Operators to any necessary resources to manage sanctions issues.

For further information regarding the issuance of this Advisory, contact the Marine Investigations Department at +1 (703) 790-3434 or email to investigations@liscr.com.

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