

Notices to Members

# **No. 9 2015/2016 - Iran Sanctions – Relief under the Joint Comprehensive Plan of Action and the Diplomatic Agreement of 14 July 2015**

July 2015

Dear Sirs,

## Iran Sanctions – Relief under the Joint Comprehensive Plan of Action and the Diplomatic Agreement of 14 July 2015

This Notice to Members should be read in conjunction with Notices to Members No. 11 and 17 2014/2015.

The diplomatic agreement of 14 July 2015 between the E3/EU+3 and the Islamic Republic of Iran opens the way for the restoration of trade activities with Iran by lifting the trade, energy, insurance and banking embargoes that have been incrementally imposed by the European Union and U.S. since 2009.

Full details of the way in which implementation of the agreement will be managed in the E.U. and U.S. are yet to emerge and are unlikely to do so in the immediate future, but it is clearly intended that all U.N. Security Council sanctions as well as multilateral and national sanctions related to Iran's nuclear programme will be lifted, subject to the terms of the Joint Comprehensive Plan of Action (JCPOA).

At this early stage in the process it is difficult for the Club to anticipate the timescale by which the current legislation in the E.U. and U.S. will be repealed or rolled back. It is, however, clear that the prohibition on the provision of insurance or reinsurance to Iran or the Government of Iran, an Iranian legal person, entity or body, or a natural person or a legal person, entity or body acting on their behalf or at their direction will be lifted and that the current prohibitions in respect of the transport of oil, petrochemical and gas products will also be lifted.

The JCPOA provides that adoption will occur 90 days after the endorsement of the JCPOA by the U.N. Security Council or at an earlier date by mutual consent of all JCPOA participants, at which point the JCPOA comes into effect. The E.U. and its Member States will adopt an E.U. Regulation, taking effect on the date of implementation, terminating all provisions of the E.U. Regulation implementing all nuclear-related economic and financial E.U. sanctions.

In the meantime the Club advises Members with an interest in trading to Iran to proceed with extreme caution and continue to seek independent advice before committing to trade contracts.

Further details of the impact so far of the 14 July diplomatic agreement on sanctions imposed by the United States are contained in the attached client alert from the United States attorneys Freehill Hogan & Mahar.

Yours faithfully

For: **West of England Insurance Services (Luxembourg) S.A.**  
(As Managers)

**A Paulson**  
Director

 Client Alert