



HIGH REPRESENTATIVE OF THE  
EUROPEAN UNION FOR  
FOREIGN AFFAIRS AND  
SECURITY POLICY

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Joint Proposal for a

**COUNCIL REGULATION**

**amending Regulation (EU) No 267/2012 concerning restrictive measures against Iran**

## EXPLANATORY MEMORANDUM

- (1) Council Regulation (EU) No 267/2012 of 23 March 2012 gives effect to the measures provided for in Decision 2010/413/CFSP concerning restrictive measures against Iran. On 15 October 2012 the Council adopted Decision 2012/635/CFSP which amends Council Decision 2010/413/CFSP and provides for additional restrictive measures against Iran.
- (2) These additional measures comprise, in particular, additional restrictions on key equipment and technology which could be used in the petrochemical industry, a ban on the import of Iranian natural gas, as well as an export prohibition on key naval equipment and technology for ship-building, maintenance or refit. Moreover, a ban was imposed on trade in graphite, certain raw or semi-finished metals, such as aluminium and steel, and software for certain industrial processes.
- (3) Decision 2012/635/CFSP also called for the review of restrictive measures concerning dual-use goods and technology set out in Annex I to Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items.
- (4) In view of Article 215 TFEU, further action by the Union is needed to give effect to these measures.
- (5) The High Representative for Foreign Affairs and Security Policy and the Commission should therefore propose to amend Regulation (EU) No 267/2012 accordingly.

Joint Proposal for a

## **COUNCIL REGULATION**

**amending Regulation (EU) No 267/2012 concerning restrictive measures against Iran**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 215 thereof,

Having regard to Council Decision 2010/413/CFSP of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP<sup>1</sup>,

Having regard to the joint proposal from the High Representative of the Union for Foreign Affairs and Security Policy and the European Commission,

Whereas:

- (1) Council Regulation (EU) No 267/2012<sup>2</sup> of 23 March 2012 gives effect to the measures provided for in Decision 2010/413/CFSP concerning restrictive measures against Iran. On 15 October 2012 the Council adopted Decision 2012/635/CFSP<sup>3</sup> which amends Council Decision 2010/413/CFSP and provides for additional restrictive measures against Iran.
- (2) Those additional restrictive measures comprise, in particular, additional restrictions on key equipment and technology which could be used in the petrochemical industry, as well as an export prohibition on key naval equipment and technology for ship-building, maintenance or refit. Moreover, trade in graphite, raw or semi-finished metals, such as aluminium and steel, and software for certain industrial processes should be prohibited.
- (3) The additional restrictive measures also include a ban on the import, purchase or transport of Iranian natural gas. Effective implementation of this prohibition requires that measures be taken to prohibit swaps of natural gas that are known to increase the export of natural gas from Iran in circumvention of the prohibition, or there is reasonable cause to suspect this. The contracts satisfied by use of a pipeline directly connected to the natural gas transmission grid of the European Union without any inlet point directly or indirectly connected to the Iranian natural gas transmission grid should not be affected by the prohibition on natural gas imports.
- (4) Decision 2012/635/CFSP called for the review of restrictive measures concerning dual-use goods and technology set out in Annex I to Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items<sup>4</sup>, with a view to including certain items in Part 2 of category 5 thereof which might be relevant to industries controlled directly or indirectly by the Iranian Revolutionary Guard Corps or which might be

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<sup>1</sup> OJ L 195, 27.7.2010, p. 39.

<sup>2</sup> OJ L88, 24.3.2012, p. 1.

<sup>3</sup> OJ L 282, 16.10.2012, p. 58.

<sup>4</sup> OJ L 134, 29.5.2009, p. 1.

relevant to Iran's nuclear, military or ballistic missile programme while taking into account the need to avoid unintended effects on the civilian population in Iran.

- (5) In order to ensure the effective implementation of the prohibition on the sale, supply, transfer or export to Iran of additional key equipment or technology which could be used in the key sectors of the oil, natural gas and petrochemical industries, lists of such key equipment and technology should be provided.
- (6) For the same reason, lists of items subject to trade restrictions on natural gas, graphite, raw or semi-finished metals, such as aluminium and steel, and software for certain industrial processes should also be provided.
- (7) Decision 2012/635/CFSP also prohibits transactions between Union and Iranian banks and financial institutions, unless authorised in advance by the relevant Member State.
- (8) Furthermore, Decision 2012/635/CFSP provides for prohibitions on the provision of flagging and classification services to Iranian oil tankers and cargo vessels as well as regarding the supply of vessels designed for the transport or storage of oil and petrochemical products to Iranian persons and entities or to other persons and entities for the purpose of transporting or storing Iranian oil and petrochemical products.
- (9) These measures fall within the scope of the Treaty on the Functioning of the European Union and regulatory action at the level of the Union is therefore necessary in order to implement it, in particular with a view to ensuring its uniform application by economic operators in all Member States.
- (10) Regulation (EU) No 267/2012 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

#### *Article 1*

Regulation (EU) No 267/2012 is amended as follows:

- (1) In Article 2, paragraph 2 is replaced by the following:
  2. Annex I shall include goods and technology, including software, which are dual-use items or technology as defined in Regulation (EC) No 428/2009, except for certain goods and technology as specified in part A and, until 15 April 2013, in part C of Annex I to this Regulation.
- (2) The following Article 2a is inserted:

#### *"Article 2a*

1. The prohibition in Article 2(1) shall not apply to:

- (a) the execution, until 15 April 2013, of contracts concluded before 16 October 2012 for the sale, supply, transfer or export of goods and technology as specified in Part C of Annex I to this Regulation or ancillary contracts necessary for the execution of such contracts.
- (b) the execution, until 15 April 2013, of contracts concluded before 16 October 2012 for the provision of technical assistance or financing or financial assistance related to goods and technology as specified in Part C of Annex I to this Regulation."

- (3) Article 8 is replaced by the following:

*"Article 8*

1. It shall be prohibited to sell, supply, transfer or export key equipment or technology listed in Annex VI and VIA, directly or indirectly, to any Iranian person, entity or body or for use in, Iran.
2. Annex VI and VIA shall include key equipment and technology for the following key sectors of the oil and gas industry in Iran:
  - (a) exploration of crude oil and natural gas;
  - (b) production of crude oil and natural gas;
  - (c) refining;
  - (d) liquefaction of natural gas.
3. Annex VI and VIA shall also include key equipment and technology for the petrochemical industry in Iran.
4. Annex VI and VIA shall not include items included in the Common Military List, or in Annex I, Annex II or Annex III."

- (4) Article 10 is replaced by the following:

*"Article 10*

1. The prohibitions in Articles 8 and 9 shall not apply to:
  - (a) execution, until 15 April 2013, of transactions required by a trade contract concerning key equipment or technology in the exploration of crude oil and natural gas, production of crude oil and natural gas, refining, liquefaction of natural gas as listed in Annex VI concluded before 27 October 2010, or ancillary contracts necessary for the execution of such contracts, or by a contract or agreement concluded before 26 July 2010 and relating to an investment in Iran made before 26 July 2010, nor shall they prevent the execution of an obligation arising therefrom; or
  - (b) execution, until 15 April 2013, of transactions required by a trade contract concerning key equipment or technology for the petrochemical industry as listed in Annex VI concluded before 24 March 2012, or of ancillary contracts necessary for the execution of such contracts, or by a contract or agreement concluded before 23 January 2012 and relating to an investment in Iran made before 23 January 2012, nor shall they prevent the execution of an obligation arising therefrom; or
  - (c) execution, until 15 April 2013, of transactions required by a trade contract concerning key equipment or technology in the exploration of crude oil and natural gas, production of crude oil and natural gas, refining, liquefaction of natural gas and for the petrochemical industry as listed in Annex VIA concluded before 16 October 2012, or of ancillary contracts necessary for the execution of such contracts, or by a contract or agreement concluded before 16 October 2012 and relating to an investment in Iran made before 23 January 2012, nor shall they prevent the execution of an obligation arising therefrom;

provided that the natural or legal person, entity or body seeking to engage in such transactions, or to provide assistance to such transactions, has notified, at least 20 working

days in advance, the transaction or assistance to the competent authority of the Member State in which it is established.

2. Paragraph 1 shall be without prejudice to the execution of obligations arising from contracts referred to in Article 12(1)(b) and 14(1)b provided that those obligations arise from service contracts or ancillary contracts necessary for their execution and provided that the execution of those obligations has been authorised in advance by the competent authority concerned and the competent authority has informed the other competent authorities and the Commission of its intention to grant an authorisation."

(5) The following Articles 10a, 10b and 10c are added:

*"Article 10a*

1. It shall be prohibited to sell, supply, transfer or export equipment or technology listed in Annex VIB, directly or indirectly, to any Iranian person, entity or body or for use in Iran.

2. Annex VIB shall include key naval equipment or technology for ship building, maintenance or refit, including equipment or technology used in the construction of oil tankers.

*Article 10b*

1. It shall be prohibited:

(a) to provide, directly or indirectly, technical assistance or brokering services related to the key equipment and technology listed in Annex VIB, or related to the provision, manufacture, maintenance and use of goods listed in Annex VIB, to any Iranian person, entity or body or for use in Iran.

(b) to provide, directly or indirectly, financing or financial assistance related to the key equipment and technology listed in Annex VIB, to any Iranian person, entity or body of for use in Iran.

*Article 10c*

1. The prohibitions in Articles 10a and 10b shall be without prejudice to the supply of key naval equipment and technology to a vessel which is not owned or controlled by an Iranian person, entity or body and which has been forced into a port in Iran, or into Iranian territorial waters, under force majeure.

2. The prohibitions in Articles 10a and 10b shall not apply to the execution, until 15 February 2013, of contracts concluded before 16 October 2012 or ancillary contracts necessary for the execution of such contracts."

(6) The following Articles 10d, 10e and 10f are inserted:

*"Article 10d*

1. It shall be prohibited to sell, supply, transfer or export software for integrating industrial processes as listed in Annex VIIA, directly or indirectly, to any Iranian person, entity or body or for use in Iran;

2. Annex VIIA shall include software for integrating industrial processes which is relevant to industries controlled directly or indirectly by the Iranian Revolutionary Guard Corps or which is relevant to Iran's nuclear, military or ballistic missile programme.

#### *Article 10e*

1. It shall be prohibited:

- (a) to provide, directly or indirectly, technical assistance or brokering services related to the software listed in Annex VIIA, or related to the provision, manufacture, maintenance and use of goods listed in Annex VIIA, to any Iranian person, entity or body or for use in Iran.
- (b) to provide, directly or indirectly, financing or financial assistance related to the software listed in Annex VIIA, to any Iranian person, entity or body of for use in Iran.

#### *Article 10f*

1. The prohibitions in Articles 10d and 10e shall not apply to the execution, until 15 January 2013, of contracts concluded before 16 October 2012 or ancillary contracts necessary for the execution of such contracts."

- (7) The following Article 14a is inserted:

#### *"Article 14a*

1. It shall be prohibited:

- (a) (to import natural gas into the Union if it:
  - (i) originates in Iran; or
  - (ii) has been exported from Iran;
- (b) to purchase natural gas which is located in, transited through or which originated from Iran;
- (c) to transport natural gas if it originates in Iran, or has been exported from Iran to any other country;
- (d) to swap natural gas if it originates in Iran, or has been exported from Iran to any other country; and
- (e) to provide, directly or indirectly, brokering services, financing or financial assistance, including financial derivatives, as well as insurance and re-insurance and brokering services relating to insurance and re-insurance, related to the import, purchase or transport of natural gas of Iranian origin or that has been imported from Iran.

2. Natural gas means the products listed in Annex IVA.

3. For the purposes of paragraph 1, 'to swap' means to exchange natural gas streams of different origins.

4. The prohibitions in paragraph 1 (a), (b), (c) and (e) shall not apply to the execution of contracts for the delivery of natural gas originating in a State other than Iran, nor to acts and transactions carried out with regard to entities listed in Annex IX which hold rights derived from an original award before 27 October 2010, by a sovereign Government other than Iran, of a production sharing agreement, as referred to in Article 39, insofar as such acts and transactions relate to those entities' participation in that agreement.

(8) The following Articles 15a, 15b, 15c and 15d is inserted:

*"Article 15a*

1. It shall be prohibited to sell, supply, transfer or export graphite and raw or semi-finished metals as listed in Annex VIIB, directly or indirectly, to any Iranian person, entity or body or for use in Iran;
2. Annex VIIB shall include graphite and raw or semi-finished metals, such as aluminium and steel, which are relevant to industries controlled directly or indirectly by the Iranian Revolutionary Guard Corps or which are relevant to Iran's nuclear, military or ballistic missile programme.
3. The prohibition in paragraph 1 shall not apply to the goods listed in Annex III.

*"Article 15b*

1. It shall be prohibited:
  - (a) to provide, directly or indirectly, technical assistance or brokering services related to the goods as listed in Annex VIIB, or related to the provision, manufacture, maintenance and use of goods listed in Annex VIIB, to any Iranian person, entity or body or for use in Iran.
  - (b) to provide, directly or indirectly, financing or financial assistance related to the goods listed Annex VIIB, to any Iranian person, entity or body or for use in Iran.
2. The prohibitions in paragraph 1 shall not apply in relation to the goods listed in Annex III."

*"Article 15c*

The prohibitions in Article 15a shall not apply to the execution, until 15 April 2013, of contracts concluded before 16 October 2012 or ancillary contracts necessary for the execution of such contracts."

- (9) Article 23 is amended as follows:
  - (a) in paragraph 2, points (c) and (d) are replaced by the following:
    - (c) "(c) being a senior member of the Islamic Revolutionary Guard Corps or a legal person, entity or body owned or controlled by the Islamic Revolutionary Guard Corps or by one or more of its members, or natural or legal persons acting on their behalf or providing insurance and other essential services to them;
    - (d) (d) being other persons, entities or bodies that provide support, such as material, logistical or financial support, to the Government of Iran and entities owned or controlled by them, or persons and entities associated with them;"
  - (b) paragraph 4 is replaced by the following:

"4. Without prejudice to the derogations provided for in Articles 24, 25, 26, 27, 28, 28a or 29, it shall be prohibited to supply specialised financial messaging services, which are used to exchange financial data to the natural or legal persons, entities or bodies listed in Annexes VIII and IX."
- (10) Article 28 is replaced by the following:

*"Article 28*

By way of derogation from Articles 23(2) and (3), the competent authorities may also authorise, under such conditions as they deem appropriate:

- (a) the release of certain frozen funds or economic resources of the Central Bank of Iran or the making available of certain funds or economic resources to the Central Bank of Iran, after having determined that the funds or economic resources are necessary for the purpose of providing credit or financial institutions with liquidity for the financing of trade, or the servicing of trade loans; or
- (b) the release of certain frozen funds or economic resources held by the Central Bank of Iran or the making available of certain funds or economic resources to the Central Bank of Iran, after having determined that the funds or economic resources are necessary for the execution of a contract or agreement concluded by an Iranian person, entity or body before 16 October 2012 where such a contract or agreement provides for the reimbursement of outstanding amounts to persons, entities or bodies under the jurisdiction of Member States;

provided that the Member State concerned has notified the other Member States and the Commission of its intention to grant an authorisation at least ten working days prior to the authorisation."

- (11) Article 30 is replaced by the following Articles 30, 30a and 30b:

*"Article 30*

1. Transfers of funds to and from an Iranian person, entity or body which are not prohibited under Article 30a shall be processed as follows:

- (a) transfers due on transactions regarding foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes shall be carried out without any prior authorisation.
- (b) The transfer shall be notified in advance in writing to the competent authority of the Member State concerned if above EUR 10 000 or equivalent;
- (c) any other transfer below EUR 40 000 shall be carried out without any prior authorisation.
- (d) The transfer shall be notified in advance in writing to the competent authority of the Member State concerned if above EUR 10 000 or equivalent;
- (e) any other transfer above EUR 40 000 or equivalent shall require a prior authorisation of the competent authority of the Member State concerned.

The competent authorities shall inform each other of any authorisation rejected at three-monthly intervals.

2. Transfers of funds below EUR 10 000 shall not require any prior authorisation or notification.

*Article 30a*

1. It shall be prohibited to transfer funds between financial and credit institutions falling within the scope of this Regulation, and

- (a) bureaux de change and credit and financial institutions domiciled in Iran;

- (b) branches and subsidiaries, where they fall within the scope of this Regulation, of credit and financial institutions and bureaux de change domiciled in Iran;
- (c) branches and subsidiaries, where they do not fall within the scope of this Regulation, of credit and financial institutions and bureaux de change domiciled in Iran; and
- (d) bureaux de change and credit and financial institutions that are not domiciled in Iran but are controlled by persons, entities or bodies domiciled in Iran.

2. By way of derogation from paragraph 1 and subject to paragraph 4 and Article 30b(1), the competent authorities may authorise, under such conditions as they deem appropriate, and in accordance with the conditions laid down in paragraph 3, the following transfers:

- (a) transfers regarding foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes;
- (b) transfers regarding personal remittances;
- (c) transfers in connection with a specific trade contract provided that such transaction is not prohibited under this Regulation;
- (d) transfers regarding diplomatic missions or consular posts or international organisations enjoying immunities in accordance with international law, insofar as such transactions are intended to be used for official purposes of the diplomatic missions or consular posts or organisations enjoying immunities in accordance with international law;
- (e) transfers regarding payment to satisfy claims against an Iranian person, entity or body, or transfers of similar nature provided that they do not contribute to the activities prohibited under this Regulation, on a case by case basis, if the Member State concerned has notified the other Members States and the Commission of its intention to grant an authorisation.

3. Transfers of funds which may be authorised under paragraph 2 shall be processed as follows:

- (a) transfers due on transactions regarding foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes, below EUR 100.000, and transfers due on transactions regarding personal remittances, below EUR 40 000, shall be carried out without any prior authorisation.

The transfer shall be notified in advance in writing to the competent authority of the Member State concerned if above EUR 10 000 or equivalent;

- (b) transfers due on transactions regarding foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes, above EUR 100.000 or equivalent, and transfers due on transactions regarding personal remittances, above EUR 40 000 or equivalent, shall require prior authorisation of the competent authority of the Member State concerned pursuant to paragraph 2.

The competent authorities shall inform each other of any authorisation granted at three-monthly intervals;

- (c) any other transfer above EUR 10 000 or equivalent shall require prior authorisation of the competent authority of the Member State concerned pursuant to paragraph 2.

The competent authorities shall inform each other of any authorisation granted at three-monthly intervals.

4. Transfers of funds below EUR 10 000 shall not require any prior authorisation or notification.

*Article 30b*

1. Where an authorisation has been granted in accordance with Articles 24, 25, 26, 27, 28 or 28a, the authorisation referred to in Articles 30(1)(c), 30a(3)(b) and 30a(3)(c) shall not be required and Articles 30, 30a and 30b shall not apply.

2. Articles 30(1) and 30a(3) shall apply regardless of whether the transfer of funds is executed in a single operation or in several operations which appear to be linked. For the purpose of this Regulation, "operations which appear to be linked" includes:

- (a) a series of consecutive transfers from or to the same Iranian person, entity or body which are made in connection with a single obligation to a transfer of funds, where each individual transfer falls below the threshold set out in paragraph 1 but which, in the aggregate, meet the criteria for notification or authorisation; or
- (b) a chain of transfers involving different payment service providers or natural or legal persons which effects a single obligation to make a transfer of funds.

3. Notifications and requests for authorisation relating to the transfer of funds shall be processed as follows:

- (a) In the case of electronic transfers of funds processed by credit or financial institutions, notifications and requests for authorisation relating to the transfer of funds shall be processed as follows:
  - (i) Notifications and requests for authorisation relating to the transfer of funds to an Iranian person, entity or body which is located outside the Union, shall be addressed by or on behalf of the payment service provider of the payer to the competent authorities of the Member State where the initial order to execute the transfer is given.
  - (ii) Notifications and requests for authorisation relating to the transfer of funds from an Iranian person, entity or body which is located outside the Union, shall be addressed by or on behalf of the payment service provider of the payee to the competent authorities of the Member State in which the payee is resident or the payment service provider is established.
  - (iii) If the payment service provider of the payer or of the payee does not fall under the scope of this Regulation, notifications and requests for authorisation shall be addressed, in the case of a transfer to an Iranian person, entity or body, by the payer, and in the case of a transfer from an Iranian person, entity or body by the payee to the competent authorities of the Member State in which, respectively, the payer or payee is resident.
  - (iv) Notifications and requests for authorisation relating to the transfer of funds to an Iranian person, entity or body which is located within the Union, shall be addressed by or on behalf of the payment service provider of the payee to the competent authorities of the Member States in which the payee is resident or the payment service provider is established.
  - (v) Notifications and requests for authorisation relating to the transfer of funds from an Iranian person, entity or body which is located within the Union, shall be addressed by or on behalf of the payment service provider of the payer to

the competent authorities of the Member States where the initial order to execute the transfer is given.

- (vi) In relation to a transfer of funds to or from an Iranian person, entity or body where none of the payer, payee or their respective payment service providers fall under the scope of this Regulation but a payment service provider which does fall under the scope of this Regulation acts as an intermediary, then that payment service provider must comply with the obligation to notify or seek authorisation, as applicable, if it knows or has reasonable cause to suspect that the transfer is to or from an Iranian person, entity or body. Where there is more than one payment service provider acting as an intermediary, only the first payment service provider to process the transfer is required to comply with the obligation to notify or seek authorisation, as applicable. Any notification or request for authorisation must be addressed to the competent authorities of the Member State in which the payment service provider is established.
  - (vii) Where there is more than one payment service provider involved in a series of linked transfers of funds, transfers within the Union shall include a reference to the authorisation granted under Article 30 or 30a.
- (b) In the case of transfers of funds which are made by non-electronic means, notifications and requests for authorisation relating to the transfer of funds shall be processed as follows:
- (i) Notifications and requests for authorisation relating to transfers to an Iranian person, entity or body shall be addressed by the payer to the competent authorities of the Member State where the payer is resident.
  - (ii) Notifications and requests for authorisation relating to the transfers from an Iranian person, entity or body shall be addressed by the payee to the competent authorities of the Member State in which the payee is resident.

4. For the purposes of Articles 30(1)(c), 30a(3)(b) and 30a(3)(c), the competent authorities shall grant the authorisation, under such terms and conditions as they deem appropriate, unless they have reasonable grounds to determine that the transfer of funds for which the authorisation is requested could be in breach of any of the prohibitions or obligations in this Regulation.

A competent authority may charge a fee for the assessment of requests for authorisation.

5. For the purposes of Article 30(1)(c), an authorisation shall be deemed granted if a competent authority has received a request in writing for authorisation and, within four weeks, the competent authority has not objected in writing to the transfer of funds. If the objection is raised because an investigation is pending, the competent authority shall state this and communicate its decision without delay. The competent authorities shall have access, directly or indirectly, on a timely basis to the financial, administrative and law enforcement related information necessary for carrying out the investigation.

6. The following persons, entities or bodies do not fall within the scope of Articles 30 and 30a:

- (a) persons, entities or bodies who merely convert paper documents into electronic data and are acting under a contract with a credit institution or a financial institution;
- (b) persons, entities or bodies who provide credit or financial institutions solely with a message or other support system for transmitting funds; or

- (c) persons, entities or bodies who provide credit or financial institutions solely with clearing and settlement systems."
- (12) Article 31 is replaced by the following:

*"Article 31*

1. Branches and subsidiaries, falling within the scope of this Regulation, of credit and financial institutions domiciled in Iran shall notify the competent authority of the Member State where they are established of all transfers of funds carried out or received by them, the names of the parties and the amount and the date of the transaction, within five working days after carrying out or receiving the transfer of funds concerned. If the information is available, the notification must specify the nature of the transaction and, where appropriate, the nature of the goods covered by the transaction and must, in particular, state whether the goods are covered by Annex I, II, III, IV, IVA, V, VI, VIA, VIB, VII, VIIA and VIIB of this Regulation and, if their export is subject to authorisation, indicate the number of the licence granted.
2. Subject to and in accordance with the information-sharing arrangements, the notified competent authorities shall without delay transmit the information on notifications referred to in paragraph 1, as necessary, in order to prevent any transaction that could contribute to proliferation-sensitive nuclear activities or to the development of nuclear weapons delivery systems, to the competent authorities of other Member States where the counterparts to such transactions are established."

- (13) Article 32 is deleted.
- (14) In Articles 33 and 34 references to Article 32(2) are replaced by references to Article 30a(1).
- (15) The following Articles 37a and 37b are inserted:

*"Article 37a*

1. The provision of the following services in respect of oil tankers and cargo vessels flying the flag of the Islamic Republic of Iran or owned, controlled, or operated, directly or indirectly, by an Iranian person, entity or body shall be prohibited:
- (a) the provision of classification services of any kind, including but not limited to:
- (i) the production and application of classification rules or technical specifications concerning the design, construction, equipment and maintenance of ships,
  - (ii) the carrying out of surveys and inspections in accordance with classification rules and procedures,
  - (iii) the assignment of a class notation and the delivery, endorsement or renewal of certificates of compliance with classification rules or specifications;
- (b) the supervision of the design, construction and repair of ships and their parts including blocks, elements, machinery, electrical installations and control installation;
- (c) the inspection, testing and certification of marine equipment, materials and components as well as the supervision of their installation on board and system integration;
- (d) the carrying out of surveys, inspections, audits and visits and the issuance, renewal or endorsement of the relevant certificates and documents of compliance, on behalf of

the flag State administration, in accordance with the International Convention for the Safety of Life at Sea, 1974, as amended (SOLAS 1974) and its 1988 Protocol; the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto, as amended (MARPOL 73/78); the Convention on the International Regulations for Preventing Collisions at Sea, 1972, as amended (COLREG 1972); the International Convention on Load Lines, 1966 (LL 1966) and its 1988 Protocol; the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended (STCW) and the International Convention on Tonnage Measurement of Ships, 1969 (TONNAGE 1969);

2. The prohibition in paragraph 1 shall apply from 15 January 2013.

#### *Article 37b*

1. It shall be prohibited to supply vessels designed for the transport or storage of oil and petrochemical products:

- (i) to any Iranian person, entity or body; or
- (ii) where the providers of the service have reasonable grounds to determine that the vessels will be used to carry oil or petrochemical products that originate in Iran or have been exported from Iran.

2. The prohibition in paragraph 1 shall be without prejudice to the execution of obligations arising from contracts referred to in Article 12(1)(b) provided that the execution of those obligations has been authorised in advance by the competent authority concerned and the competent authority has informed the other competent authorities and the Commission of its intention to grant an authorisation.

3. The authorisation referred to in paragraph 2 shall not be required where the authorisation has been granted in accordance with Article 28a(b)."

(16) Article 41 is replaced by the following:

#### *"Article 41*

It shall be prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent the measures referred to in Articles 2, 5, 8, 9, 10a, 10b, 10d, 10e, 11, 13, 14a, 15a, 15b, 17, 22, 23, 30a, 34, 35, 37a or 37b."

(17) In Article 45, paragraph b is replaced by the following:

"(b) amend Annexes III, IV, IVA, V, VI, VIA, VIB, VII, VIIA, VIIB and X on the basis of information supply by Member States."

(18) Annex I is replaced by the text set out in Annex I to this Regulation.

(19) The text set out in Annex II is inserted as Annex IVA.

(20) The text set out in Annex III is inserted as Annex VIA.

(21) The text set out in Annex IV is inserted as Annex VIB.

(22) The text set out in Annex V is inserted as Annex VIIA.

(23) The text set out in Annex VI is inserted as Annex VIIB.

*Article 2*

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Council  
The President*

## ANNEX I

### "ANNEX I

#### PART A

### Goods and technology referred to in Articles 2(1),(2) and (4), 3(3), 5(1), 6, 8(4), 17(2) and 31(1)

This Annex comprises all goods and technology listed in Annex I to Regulation (EC) No 428/2009, as defined therein, with the exception of those listed in Part A as well as with the exception, until 15 April 2013, of those listed in Part C.

Item from Annex I to Regulation (EC) No 428/2009	Description
1.	<p>"Information security" systems, equipment and components therefor for use in public telecommunication services, internet service providing or for the protection of these services, as follows:</p> <p>a. Systems, equipment, application specific "electronic assemblies", modules and integrated circuits for "information security", as follows, and components therefor specially designed for "information security":</p> <p><i>N.B.: For the control of Global Navigation Satellite Systems (GNSS) receiving equipment containing or employing decryption (i.e., GPS or GLONASS), see 7A005 of Annex I to Regulation (EC) No 428/2009.</i></p> <p>1. Designed or modified to use "cryptography" employing digital techniques performing any cryptographic function other than authentication or digital signature and having any of the following:</p> <p>Technical Notes:</p> <p>1. Authentication and digital signature functions include their associated key management function.</p> <p>2. Authentication includes all aspects of access control where there is no encryption of files or text except as directly related to the protection of passwords, Personal Identification Numbers (PINs) or similar data to prevent unauthorised access.</p> <p>3. "Cryptography" does not include "fixed" data compression or coding techniques.</p> <p>Note: 1.a.1. includes equipment designed or modified to use "cryptography" employing analogue principles when implemented with digital techniques.</p> <p>a. A "symmetric algorithm" employing a key length in excess of 56 bits; or</p>

Item from Annex I to Regulation (EC) No 428/2009	Description
	<ul style="list-style-type: none"> <li>b. An "asymmetric algorithm" where the security of the algorithm is based on any of the following: <ul style="list-style-type: none"> <li>1. Factorisation of integers in excess of 512 bits (e.g., RSA);</li> <li>2. Computation of discrete logarithms in a multiplicative group of a finite field of size greater than 512 bits (e.g., Diffie-Hellman over <math>Z/pZ</math>); or</li> <li>3. Discrete logarithms in a group other than mentioned in 1.a.1.b.2. in excess of 112 bits (e.g., Diffie-Hellman over an elliptic curve);</li> </ul> </li> </ul>
2.	<p>"Software" as follows, for use in public telecommunication services, internet service providing or for the protection of these services:</p> <ul style="list-style-type: none"> <li>a. "Software" specially designed or modified for the "use" of equipment specified in 1.a.1 or "software" specified in 2.b.1;</li> <li>b. Specific "software", as follows: <ul style="list-style-type: none"> <li>1. "Software" having the characteristics, or performing or simulating the functions of the equipment, specified in 5A002.a.1;</li> </ul> </li> </ul>
3.	<p>"Technology" according to the General Technology Note for the "use" of equipment specified in 1.a.1 or "software" specified in 2.a. or 2.b.1 of this list, for use in public telecommunication services, internet service providing or for the protection of these services.</p>

## PART B

Article 6 applies to the following goods:

Item from Annex I to Regulation (EC) No 428/2009	Description
0A001	<p>"Nuclear reactors" and specially designed or prepared equipment and components therefor, as follows:</p> <ul style="list-style-type: none"> <li>a. "Nuclear reactors";</li> <li>b. Metal vessels, or major shop-fabricated parts therefor, including the reactor vessel head for a reactor pressure vessel, specially designed or prepared to contain the core of a "nuclear reactor";</li> <li>c. Manipulative equipment specially designed or prepared for inserting or removing fuel in a "nuclear reactor";</li> <li>d. Control rods specially designed or prepared for the control of the fission process in a "nuclear reactor", support or suspension structures therefor, rod drive mechanisms and rod guide tubes;</li> <li>e. Pressure tubes specially designed or prepared to contain fuel elements and the primary coolant in a "nuclear reactor" at an operating pressure in excess of 5.1 MPa;</li> <li>f. Zirconium metal and alloys in the form of tubes or assemblies of tubes in which the ratio of hafnium to zirconium is less than 1:500 parts by weight, specially designed or prepared for use in a "nuclear reactor";</li> <li>g. Coolant pumps specially designed or prepared for circulating the primary coolant of "nuclear reactors";</li> <li>h. 'Nuclear reactor internals' specially designed or prepared for use in a "nuclear reactor", including support columns for the core, fuel channels, thermal shields, baffles, core grid plates, and diffuser plates; <i>Note: In 0A001.h. 'nuclear reactor internals' means any major structure within a reactor vessel which has one or more functions such as supporting the core, maintaining fuel alignment, directing primary coolant flow, providing radiation shields for the reactor vessel, and guiding in-core instrumentation.</i></li> <li>i. Heat exchangers (steam generators) specially designed or prepared for use in the primary coolant circuit of a "nuclear reactor";</li> <li>j. Neutron detection and measuring instruments specially designed or prepared for determining neutron flux levels within the core of a "nuclear reactor".</li> </ul>
0C002	Low enriched uranium covered by 0C002 when it is incorporated in assembled nuclear fuels elements

## PART C

Item from Annex I to Regulation (EC) No 428/2009	Description
5A002	<p>"Information security" systems, equipment and components therefor, as follows:</p> <p>a. Systems, equipment, application specific "electronic assemblies", modules and integrated circuits for "information security", as follows and other specially designed components therefor:</p> <p><i>N.B.: For the control of Global Navigation Satellite Systems (GNSS) receiving equipment containing or employing decryption (i.e., GPS or GLONASS), see 7A005.</i></p> <p>1. Designed or modified to use "cryptography" employing digital techniques performing any cryptographic function other than authentication or digital signature and having any of the following:</p> <p><i>Technical Notes:</i></p> <p>1. <i>Authentication and digital signature functions include their associated key management function.</i></p> <p>2. <i>Authentication includes all aspects of access control where there is no encryption of files or text except as directly related to the protection of passwords, Personal Identification Numbers (PINs) or similar data to prevent unauthorised access.</i></p> <p>3. <i>"Cryptography" does not include "fixed" data compression or coding techniques.</i></p> <p>Note: 5A002.a.1. includes equipment designed or modified to use "cryptography" employing analogue principles when implemented with digital techniques.</p> <p>a. A "symmetric algorithm" employing a key length in excess of 56 bits; or</p> <p>b. An "asymmetric algorithm" where the security of the algorithm is based on any of the following:</p> <p>1. Factorisation of integers in excess of 512 bits (e.g., RSA);</p> <p>2. Computation of discrete logarithms in a multiplicative group of a finite field of size greater than 512 bits (e.g., Diffie-Hellman over <math>Z/pZ</math>); or</p> <p>3. Discrete logarithms in a group other than mentioned in 5A002.a.1.b.2. in excess of 112 bits (e.g., Diffie-Hellman over an elliptic curve);</p>

Item from Annex I to Regulation (EC) No 428/2009	Description
5D002	<p>"Software" as follows:</p> <ul style="list-style-type: none"> <li>a. "Software" specially designed or modified for the "use" of equipment specified in 5A002.a.1 or "software" specified in 5D002.c.1;</li> <li>c. Specific "software", as follows: <ul style="list-style-type: none"> <li>1. "Software" having the characteristics, or performing or simulating the functions of the equipment, specified in 5A002.a.1;</li> </ul> </li> </ul> <p><i>Note: 5D002 does not control "software" as follows:</i></p> <ul style="list-style-type: none"> <li>a. <i>"Software" required for the "use" of equipment excluded from control by the Note to 5A002;</i></li> <li>b. <i>"Software" providing any of the functions of equipment excluded from control by the Note to 5A002.</i></li> </ul>
5E002	<p>"Technology" according to the General Technology Note for the "use" of equipment specified in 5A002.a.1 or "software" specified in 5D002.a. or 5D002.c.1 of this list.</p>

## ANNEX II

### "ANNEX IVA

#### **Products referred to in articles 14a and 31(1)**

Natural gas and other gaseous hydrocarbons

HS code	Description
2709 00 10	Natural gas condensates
2711 11 00	Natural Gas – in liquefied state
2711 21 00	Natural Gas – in gaseous state
2711 12	Propane
2711 13	Butanes
2711 19 00	Other
2711 29 00	Other"

### ANNEX III

#### "ANNEX VIA

#### **Key equipment and technology referred to Articles 8, 10(1)(c) and 31(1)**

HS code	Description
7304	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel
7305	Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel, with a chrome content of 1% or more and with a cold resistance that can go below -120°C
7306	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel
7309 00	Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment
7310	Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment
7311 00	Containers for compressed or liquefied gas, of iron or steel
7613	Aluminium containers for compressed or liquefied gas"

## ANNEX IV

### "ANNEX VIB

#### Key equipment and technology referred to in Articles 10a, 10b, 10c and 31(1)

HS code	Description
8406 10 00	Turbines for marine propulsion
8406 90	Parts of turbines for marine propulsion
8407 21	Outboard spark-ignition reciprocating or rotary internal combustion piston engines for marine propulsion
8408 10	Marine propulsion engines
8409 91 00	Parts suitable for use solely or principally with machines of subheadings 8407 21, 8707 29 or 8408 10
8411 81	Other gas turbine of a power not exceeding 5000 kW
8411 82	Other gas turbines of a power exceeding 5000 kW
8468	Machinery and apparatus for soldering, brazing or welding whether or not capable of cutting, other than those of heading 8515; gas-operated surface tempering machines and appliances:
8483	Transmission shafts (including cam shafts and crank shafts) and cranks; bearing housings and plain shaft bearings; gears and gearing; ball or roller screws; gear boxes and other speed changers, including torque converters; flywheels and pulleys, including pulley blocks; clutches and shaft couplings (including universal joints), designed for the propulsion of vessels at the maximum possible deadweight tonnage at scantling draught of 55 000 dwt or more
8487 10	Ships' or boats' propellers and blades therefor
8515	Electric (including electrically heated gas), laser or other light or photon beam, ultrasonic, electron beam, magnetic pulse or plasma arc soldering, brazing or welding machines and apparatus, whether or not capable of cutting; electric machines and apparatus for hot spraying of metals or cermets:
9014 10 00	Direction finding compasses
9014 80 00	Other navigational instruments and appliances
9014 90 00	Parts and accessories of subheadings 9014 10 00 and 9014 80 00
9015	Surveying (including photogram metrical surveying), hydro graphic, oceanographic, hydrological, meteorological or geophysical instruments and appliances, excluding compasses; rangefinders "



ANNEX V

"ANNEX VIIA

**Software for integrating industrial processes referred to in Article 10d, 10e, 10f and 31(1)**

1. Enterprise Resource Planning software.

*Explanatory note: Enterprise Resource Planning software is software used for financial accounting, management accounting, human resources, manufacturing, supply chain management, project management, customer relationship management, data services, and access control."*

## ANNEX VI

### "ANNEX VIIB

#### **Graphite and raw or semi-finished metals referred to in Article 15a, 15b, 15c and 31(1)**

##### **1. Graphite**

HS code	Description
2504	Natural graphite
3801	Artificial graphite; colloidal or semi-colloidal graphite; preparations based on graphite or other carbon in the form of pastes, blocks, plates or other semi-manufactures
681510	Non-electrical articles of graphite or other carbon, incl. carbon fibres
690310	Retorts, crucibles, mufflers, nozzles, plugs, supports, cupels, tubes, pipes, sheaths, rods and other refractory ceramic goods (excl. refractory bricks, blocks, tiles and similar refractory ceramic constructional goods). Other than those of siliceous fossil meals or of similar siliceous earths, containing, by weight, more than 50% of graphite, or other carbon or of a mixture of these products
8545 11 00	Electrodes of a kind used for furnaces
8545 90 90 10	Nipples used for graphite electrodes of a kind used for electric furnaces, with an apparent density of 1,65 g/cm <sup>3</sup> or more and an electrical resistance of 6.0 μΩ.m or less

##### **2. Iron and Steel**

HS code	Description
7201	Pig iron and spiegeleisen in pigs, blocks or other primary forms
7202	Ferro-alloys
7203	Ferrous products obtained by direct reduction of iron ore and other spongy ferrous products, in lumps, pellets or similar forms; iron having a minimum purity by weight of 99,94 %, in lumps, pellets or similar forms
7204	Ferrous waste and scrap; remelting scrap ingots of iron or steel
7205	Granules and powders, of pig iron, spiegeleisen, iron or steel
7206	Iron and non-alloy steel in ingots or other primary forms
7207	Semi-finished products of iron or non-alloy steel
7208	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or

	more, hot-rolled, not clad, plated or coated
7209	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (coldreduced), not clad, plated or coated
7210	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated
7211	Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, not clad, plated or coated
7212	Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, clad, plated or coated
7213	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel
7214	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling
7215	Other bars and rods of iron or non-alloy steel
7216	Angles, shapes and sections of iron or non-alloy steel
7217	Wire of iron or non-alloy steel
7218	Stainless steel in ingots or other primary forms; semi-finished products of stainless steel
7219	Flat-rolled products of stainless steel, of a width of 600 mm or more
7220	Flat-rolled products of stainless steel, of a width of less than 600 mm
7221 00	Bars and rods, hot-rolled, in irregularly wound coils, of stainless steel
7222	Other bars and rods of stainless steel; angles, shapes and sections of stainless
7223 00	Wire of stainless steel
7224	Other alloy steel in ingots or other primary forms; semi-finished products of other alloy steel
7225	Flat-rolled products of other alloy steel, of a width of 600 mm or more
7226	Flat-rolled products of other alloy steel, of a width of less than 600 mm
7227	Bars and rods, hot-rolled, in irregularly wound coils, of other alloy steel
7228	Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel
7229	Wire of other alloy steel

7301	Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel
7303 00	Tubes, pipes and hollow profiles, of cast iron
7307	Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel
7312	Stranded wire, ropes, cables, plaited bands, slings and the like, of iron or steel, not electrically insulated

### **3. Copper and articles thereof**

HS code	Description
7401 00 00	Copper mattes; cement copper (precipitated copper)
7402 00 00	Unrefined copper; copper anodes for electrolytic refining
7403	Refined copper and copper alloys, unwrought
7404 00	Copper waste and scrap
7405 00 00	Master alloys of copper
7406	Copper powders and flakes
7407	Copper bars, rods and profiles
7408	Copper wire
7409	Copper plates, sheets and strip, of a thickness exceeding 0,15 mm
7410	Copper foil (whether or not printed or backed with paper, paperboard, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,15 mm
7411	Copper tubes and pipes
7412	Copper tube or pipe fittings (for example, couplings, elbows, sleeves)
7413 00 00	Stranded wire, cables, plaited bands and the like, of copper, not electrically insulated

#### **4. Nickel and articles thereof**

HS code	Description
7501	Nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy
7502	Unwrought nickel
7503 00	Nickel waste and scrap
7504 00 00	Nickel powders and flakes
7505	Nickel bars, rods, profiles and wire
7506	Nickel plates, sheets, strip and foil
7507	Nickel tubes, pipes and tube or pipe fittings (for example, couplings, elbows, sleeves)

#### **5. Aluminium**

HS code	Description
7601	Unwrought aluminium
7602	Aluminium waste and scrap
7603	Aluminium powders and flakes
7604	Aluminium bars, rods and profiles
7605	Aluminium wire
7606	Aluminium plates, sheets and strip, of a thickness exceeding 0,2 mm
7607	Aluminium foil (whether or not printed or backed with paper, paperboard, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,2 mm
7608	Aluminium tubes and pipes
7609 00 00	Aluminium tube or pipe fittings (for example, couplings, elbows, sleeves)
7614	Stranded wire, cables, plaited bands and the like, of aluminium, not electrically insulated

#### **6. Lead**

HS code	Description
7801	Unwrought lead
7802 00 00	Lead waste and scrap
7804	Lead plates, sheets, strip and foil; lead powders and flakes

## **7. Zinc**

HS code	Description
7901	Unwrought zinc
7902 00 00	Zinc waste and scrap
7903	Zinc dust, powders and flakes
7904 00 00	Zinc bars, rods, profiles and wire
7905 00 00	Zinc plates, sheets, strip and foil

## **8. Tin**

HS code	Description
8001	Unwrought tin
8002 00 00	Tin waste and scrap
8003 00 00	Tin bars, rods, profiles and wire

## **9. Other base metals, cermets, articles thereof**

HS code	Description
8101	Tungsten (wolfram) and articles thereof, including waste and scrap
8102	Molybdenum and articles thereof, including waste and scrap
8103	Tantalum and articles thereof, including waste and scrap

8104	Magnesium and articles thereof, including waste and scrap
8105	Cobalt mattes and other intermediate products of cobalt metallurgy; cobalt and articles thereof, including waste and scrap
8106 00	Bismuth and articles thereof, including waste and scrap
8107	Cadmium and articles thereof, including waste and scrap
8108	Titanium and articles thereof, including waste and scrap
8109	Zirconium and articles thereof, including waste and scrap
8110	Antimony and articles thereof, including waste and scrap
8111 00	Manganese and articles thereof, including waste and scrap
8112	Beryllium, chromium, germanium, vanadium, gallium, hafnium, indium, niobium (columbium), rhenium and thallium, and articles of these metals, including waste and scrap
8113 00	Cermets and articles thereof, including waste and scrap"