



# TUVALU SHIP REGISTRY

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## MARINE CIRCULAR

**MC-3/2018/1**

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**FOR:** Ship Owners, Ship Managers, Ship Operators, Ship Masters, Ship Officers, Recognized Organizations, Flag State Inspectors

**SUBJECT: US SANCTIONS AGAINST IRAN**

### DEFINITIONS:

The following abbreviations stand for:

- “JCPOA” – Joint Comprehensive Plan of Action
- “US” – United States of America

The term “Administration” shall mean the Tuvalu Ship Registry.

### PURPOSE:

This circular serves to inform all parties of the developments regarding sanctions against the Islamic Republic of Iran by the US and its implications to the maritime industry.

### REFERENCES:

- (a) Announcement by the US Whitehouse: <https://www.whitehouse.gov/briefings-statements/president-donald-j-trump-ending-united-states-participation-unacceptable-iran-deal/>
- (b) Iran-related executive order by the US President: [https://www.treasury.gov/resource-center/sanctions/Programs/Documents/08062018\\_iran\\_eo.pdf](https://www.treasury.gov/resource-center/sanctions/Programs/Documents/08062018_iran_eo.pdf)
- (c) US Department of the Treasury’s Office of Foreign Assets Control (OFAC) FAQ: [https://www.treasury.gov/resource-center/faqs/Sanctions/Pages/faq\\_iran.aspx#eo\\_reimposing](https://www.treasury.gov/resource-center/faqs/Sanctions/Pages/faq_iran.aspx#eo_reimposing)

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The US President has on 8 May 2018 announced his decision to cease the US participation in the JCPOA and begin re-imposing, following a wind down period, the US nuclear-related sanctions that were lifted to effectuate the JCPOA sanctions relief in 2016.

The US Departments of State and of the Treasury has taken steps necessary to establish a 90 day wind down period (which ended on 6 August 2018), and a 180 day wind down period (which ends on 5 November 2018), for activities involving Iran which were consistent with the US sanctions relief provided for under the JCPOA, and in respect of which sanctions will now be re-imposed.

The sanctions relief provided for under the JCPOA led to the lifting of many of the US secondary sanctions i.e. measures and prohibitions on non-US persons and entities. Therefore, the re-imposition of these secondary sanctions will directly impact on the ability of non-US persons and entities to trade with Iran.

The U.S. has issued FAQ's regarding the re-imposition of sanctions (refer to Reference (c)) which provides further detail of the sanctions to be re-introduced. A summary of some of the most critical points are set out below in this circular.

#### **A. Party related sanctions**

In accordance with the relaxation of sanctions, hundreds of individuals and entities were removed from the US sanctions lists (or were no longer subject to secondary sanctions). These parties will now be relisted no later than 5 November 2018. After their relisting, most of these parties will be subject to secondary sanctions (some Iranian entities have remained on the Specially Designated National "SDN" list and subject to secondary sanctions throughout, whilst others had been listed only as non-SDNs not subject to secondary sanctions).

#### **B. Activity related sanctions**

After the 90-day wind down period which ended on 6 August 2018, sanctions have been re-imposed on:

- The purchase or acquisition of U.S. dollar banknotes by the Government of Iran;
- Iran's trade in gold or precious metals;
- 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
- Significant transactions related to the purchase or sale of Iranian currency, or the maintenance of significant funds or accounts outside the territory of Iran that occurs in Iranian currency;
- The purchase, subscription to, or facilitation of the issuance of Iran sovereign debt;
- Iran's automotive sector.

**After the 180-day wind down period which ends on 4 November 2018, sanctions will be re-imposed on:**

- **Iran's port operators and shipping and shipbuilding sectors, including on the Islamic Republic of Iran Shipping Lines (IRISL), South Shipping Line, or their affiliates;**
- **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;**
- **Transactions by foreign financial institutions with the Central Bank of Iran and other foreign financial institutions that have been designated under NDAA Section 1245;**
- **The provision of specialized financial messaging services to the Central Bank of Iran and other Iranian financial institutions;**
- **The provision of underwriting services, insurance, or reinsurance; and**
- **Iran's energy sector.**

As the sanctions relief introduced by the US pursuant to the JCPOA focused to a large extent on the relaxation of secondary sanctions, and thus permitted non-US persons to trade more freely with Iran, the re-imposition of these secondary sanctions will have the opposite effect.

#### **RISK MITIGATION MEASURES:**

The above have significant implications for maritime and financial trade with Iran and the insurance of such trade. As such, the Administration requires all ship owners and operators who may have trade with Iran or have vessels calling Iran to:

1. Study the FAQ (paying special attention to items 606 and 607) as some activities have become sanctionable after 7 August 2018 and full sanctions come into force after 5 November 2018; and
2. Notify the P&I club to ensure that the vessel's coverage is not affected by the vessel's call to Iran.

Please note that any breach of the sanctions or invalidation of the P&I cover will lead to the closure of the vessel's registration.

**GENERAL MEASURES:**

It is in the best interest of all non-US, non-Iranian persons 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 by the US.

In case a non-US, non-Iranian party that has wound down a pre-8 May 2018 contract within the applicable deadline of either 6 August 2018 or 4 November 2018 and is still owed payment for goods and services by an Iranian contract counterparty after the wind-down deadlines, that payment can still be received after the conclusion of the wind-down period. However, such payments cannot involve the US financial system or US persons. Given these developments, any parties trading with Iran should now exercise caution and thoroughly review the status of the US secondary sanctions against Iran to determine whether their activities may expose them to penalties by the US.

**LIST OF VESSELS RESTRICTED FROM FLAGGING WITH TUVALU (non-exhaustive):**

The list of vessels has been derived from the following:

1. List of vessels de-flagged by Panama on 07 February 2019 owned or linked to NITC and IRISL;
2. List of vessels de-flagged by Marshall Islands on 08 February 2019 involved with Iranian malign activity associated with the destabilization of the Middle East; and
3. List of vessels identified in the 20 November 2018 OFAC shipping advisory.

<b>Vessel Name</b>	<b>IMO Number</b>
ARSOS M	9313761
AZIZ TORLAK	9558763
HELEN M	9308223
MOTIVATOR	9340386
PATRIOTIC	9361469
ALMETYEVSK	9621558
ARAMIS	9354521
BASILIA	9012305
DISTYA PUSHTI	9179127
ENERGY GAS	9034690
GITTA GAS	8817693
GOEAST	7526924
GOLDEN SEA	8800298
SCHUMI (ex IRIS GAS)	9134359
KADER	9080493
KORSARO	9373137
LEVANTE	9391139
MAESTRO	8810700
MIURA	9390903
MR NAUTILUS	9150767
OASIS 1	9465629

OCEAN 61	8870865
RAMA 1	8306711
RAWAN	8697304
RISE DIGNITY	9221970
RISE GLORY	9155808
SEA SHARK	8919154
SENNA 8 (ex ODYN GAS)	9128673
SIENNA	9147447
TRUE OCEAN	9169421
TRUVOR (ex MUKHALATKA)	9676230
VALE	9391153
CANDY (ex VENICE)	9005479
VOLGA (ex MARSHAL ZHUKOV)	9104770
YAZ	9735323
AMBER	9357406
ARGO I	9187667
ARK	9187655
BELEMA LIGHT CRUDE	9079066
CASPIA	9125126
DAN	9357729
DANIEL	9569683
DEEP SEA	9218492
DELICE	9125138
DERYA	9569700
DESTINY	9177155
DEVON	9218454
DEVREZ	9120994
DIAMOND II	9218478
DINO I	9569671
DIONA	9569695
DORE	9218466
DORENA	9357717
DOVER	9569669
DOWNY	9218480
DREAM II	9356593
DUNE	9569712
FAXON	9283758
FELICITY	9183934
FOREST	9283760
FORTUNE	9283746
HALTI	9212890

HAPPINESS I	9212905
HASNA	9212917
HEDY	9212888
HELM	9357391
HENNA	9212929
HERBY	9362059
HERO II	9362073
HILDA I	9357389
HORSE	9362061
HUGE	9357183
HUMANITY	9180281
HYUNDAI MIPO 2655	9820312
HYUNDAI MIPO 2656	9820324
HYUNDAI MIPO 2657	9820336
MARIA III	9615092
MIAMI PRIDE	9274941
NASHA	9079107
NAVARZ	9079078
SABITI	9172040
SALINA	9357377
SANA	9357353
SEA CLIFF	9569657
IRAN SHALAMCHEH	8820925
SEA STAR III	9569205
SERENA	9569645
SILVIA I	9172052
SNOPA	9172038
SNOW	9569619
SOL	9171462
SONIA I	9357365
STARK I	9171450
STARLA	9569621
STREAM	9569633