

EU

EU Renews Its Sanctions Relating to Human Rights Violation in Iran Until 13 April 2017

The restrictive measures impose an asset freeze and travel ban on the listed individuals and entities and also ban exports of any apparatus with the potential to be used for internal repression or telecommunication monitoring. The EU's sanctions relating to Iranian human rights concerns did not fall under the Joint Comprehensive Plan of Action (JCPOA), and so were not part of the group of sanctions lifted in January this year. The Implementing Regulation is [here](#) and the Decision is [here](#).

EU Renews Its Sanctions Against Bosnia and Herzegovina Until 31 March 2017

The measures include an asset freeze and travel ban on listed individuals and entities believed to be undermining its sovereignty and territorial integrity, posing a serious threat to the Bosnian security situation, or to be taking part in activities that undermine the Dayton/Paris Peace Agreement. [Council Decision 2016/477](#) amends [Decision 2011/173/CFSP](#).

EU Introduces New Sanctions Against North Korea Following Those That Were Announced by the UN Security Council Last Month

The restrictive measures include a ban on the import of coal, iron and iron ore from North Korea, a blanket restriction on opening new branches, subsidiaries or representative offices of North Korean banks, and an obligation for Member States to expel North Korean diplomats engaged in certain activities. [Council Decision 2016/476](#) amends [Decision 2013/183/CFSP](#).

On a related note, China also imposed new sanctions similar to those of the EU, agreed by the UN Security Council, against North Korea. In addition to import bans on coal and iron, gold and other rare minerals are also restricted. The measures also ban exports to North Korea of aviation fuel and any equipment with the potential to be used to support nuclear or ballistic missile programmes. Exceptions will apply to imports of coal where the revenue is intended solely for the "people's wellbeing", and also in limited circumstances where third-country goods pass through North Korea in transit.

EU Renews Its Sanctions on Burma/Myanmar Until 30 April 2017

These measures impose an embargo on providing Burma/Myanmar with arms and goods that might be used for internal repression. [Council Decision 2016/627](#) amends [Decision 2013/184/CFSP](#).

UK

Newly Launched Office of Financial Sanctions Implementation (OFSI) Publishes New Guidelines on Financial Sanctions in the UK

The [two-part guidance](#) provides a general overview of the application of the UK's financial sanctions framework, as well as providing practical examples of how the OFSI will generally approach licencing and compliance questions.

UK Passes Export Control (Iran Sanctions) Order Following Changes to EU Sanctions on Iran

The [Order](#) came into force on 6 May 2016 and sets out the penalties and licences related to the UK's Iranian sanctions. It also amends Export Control Orders relating to Russia, Crimea, Sevastopol and the Central African Republic.

Export Control Organisation (ECO) Issues Two New Open General Export Licences (OGELs)

Exporters with [these licences](#) will now be able to export unpopulated printed circuit boards and wiring harnesses, connectors and fasteners and related components for military and dual-use goods. Exports to several countries, including Russia, Iran, North Korea and China, are not covered. However, both licences will still attract the standard OGEL obligations; exporters must register to use the licences, keep appropriate records and will be subject to compliance auditing by the ECO.

US

US Department of Commerce, Bureau of Industry and Security (BIS) Amends the Export Administration Regulations (EAR) to Implement Missile Technology Control Regime (MTCR) Changes

BIS is amending the EAR to reflect changes to the MTCR Annex that were agreed to by MTCR member countries in 2015. The [final rule](#), published in the Federal Register on 4 April 2016, makes conforming changes to correlate the Commerce Control List (CCL) and other EAR provisions with the current MTCR Annex. This includes revisions to six Export Control Classification Numbers in the CCL and changes to the EAR's statement of licensing policy for Missile Technology items.

Office of Foreign Assets Control (OFAC) Implements New Economic Sanctions Against Burundi

OFAC has issued new regulations (at [31 C.F.R. Part 554](#)) implementing the President's Executive Order 13712, of 22 November 2015, imposing sanctions against Burundi. The sanctions consist of measures blocking property and interests in property of persons listed in or designated pursuant to Executive Order 13712, published in the Federal Register and incorporated into OFAC's Specially Designated Nationals and Blocked Persons List (SDN List) with the identifier "[BURUNDI]." Those individuals include four individuals listed in the Annex to Executive Order 13712, as well as other persons found to threaten the peace, security or stability of Burundi; to have taken actions undermining democratic processes or institutions in Burundi; or to engage in various other human rights abuses or other destabilizing activities in Burundi.

BIS Amends the Export Administration Regulations to Remove Controls on Domestic Crude Oil Exports

The US Commerce Department's Bureau of Industry and Security (BIS) published a [final rule](#) implementing changes to the Export Administration Regulations' (EAR) Short Supply controls on US domestic crude oil. The rulemaking implements changes to the Short Supply controls provisions of the EAR and Commerce Control List (including removing ECCN 1C981) that came into effect in December 2015, under the Consolidated Appropriations Act of 2016. Under the revised provisions, a BIS license is not required to export US crude oil to most destinations, including reconstituted crude petroleum, lease condensate and liquid hydrocarbons produced from tar sands, gilsonite and oil shale.

OFAC Designates Nine Individuals and 68 Entities Associated With the Waked Money Laundering Cartel Under the Foreign Narcotics Kingpin Designation Act

On May 5, 2016, the US Treasury Department's OFAC [announced](#) designations of leaders and associates of the so-called Waked Money Laundering Organization, and 68 entities believed to be part of that organization,

as specially designated narcotics traffickers under the Foreign Narcotics Kingpin Designation Act. OFAC, in cooperation with US Customs and Border Protection, other US agencies and the Panamanian Government, have found the Waked organization to be laundering the proceeds of illicit narcotics trade. Designated entities include major commercial entities with operations in Panama, Colombia and other countries, such as Panama's Balboa Bank & Trust, the Panamanian shopping mall, Soho Panama, S.A. (a.k.a. Soho Mall Panama), a Panamanian hotel, Grupo Wisa, S.A., and the international duty free retailer La Riviera. Once a party is designated under the Act, all property and interests in property of that party that are within the US, or within the possession or control of any US person, are blocked and US persons and entities are effectively prohibited from dealing with the party. In conjunction with these designations, OFAC issued [general licenses](#) authorizing limited transactions with certain designated entities.

OFAC Relaxes Burmese Sanctions Regulations

On 17 May 2016 OFAC [announced](#) amendments to the Burmese Sanctions Regulations as well as corresponding updates to the SDN List. The amendments were intended to facilitate trade with, and the movement of goods within, Burma, authorize personal transactions related to US persons that reside in Burma, and authorize many transactions involving designated Burmese financial institutions.

Enforcement Actions, Announcements

US Department of Justice (DOJ) Announces an Arrest and an Extradition for Export-related Charges

The DOJ [announced](#) the arrest of a Chinese citizen on charges related to an alleged scheme to export high-grade carbon fiber to China without a license. Separately, the DOJ also [announced](#) the extradition from Indonesia to the US of a Singaporean citizen on charges related to an alleged conspiracy to export radio frequency modules without a license to Iran.

ECO to Launch New Portal to Replace SPIRE in 2017

If you are interested in being involved in user testing the new platform you can contact Nataly Anderson at nataly.anderson@digital.bis.gsi.gov.uk.

Events

For additional details on the following events, check our blog, [The Trade Practitioner](#).

American Conference Institute (ACI) EAR Boot Camp – 23-24 May 2016 in Chicago, Illinois. Chris Skinner to speak on panel discussing CCL classifications. [Contact Chris](#) for registration discount. [Register here](#).

US Export Controls Workshop: The ITAR "Virus" EARvolves – 18-20 July 2016, Stratford-upon-Avon, UK. George Grammas to host several workshops. [Register here](#).

American Metal Market (AMM) North American Ferroalloys Conference – 19-21 September 2016, Chicago, Illinois. Peter Koenig to discuss trade policymaking, antidumping and countervailing duty issues. Visit [AMM](#) for registration information.

About Our Team

Our Export Controls & Sanctions team is built on the ability to advise on the shifting regulatory framework on both sides of the Atlantic. We have extensive experience in advising and representing a wide range of companies and financial intuitions in Europe, the US and other jurisdictions on export control and sanctions from a multijurisdictional perspective. Our Export Controls & Sanctions team is part of our overall International Trade Practice, providing a "one-stop" solution to global trade compliance through rapid, professional and tailored advice and compliance tools to fit your business needs and processes. If you have any question relating to sanctions, please contact a member of our EU or US Sanctions team listed herein. You can also email InternationalTradeCompliance@sqirepb.com for assistance.

Resources to Strengthen Compliance

We encourage you to visit the [Trade Practitioner Blog](#) where you will find more updates on export controls, sanctions and other international trade topics. In addition, organisations engaged in the trade of items specially designed for military or space applications are encouraged to download our complimentary *ITAR Practitioner's Handbook covering the International Traffic in Arms Regulations (ITAR)* and the US Department of Commerce "600 Series".

Download a copy of the handbook [here](#).

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