



REPUBLIC OF CYPRUS
MINISTRY OF
COMMUNICATIONS AND WORKS



DEPARTMENT
OF MERCHANT SHIPPING
LEMESOS

Circular No. 55/2012

26 October 2012

TEN 5.13.09
TEN 4.3.08.13

To all Registered owners, Registered bareboat charterers
Managers and Representatives of ships flying the Cyprus Flag

To all Owners, Managers, Representatives and Agents in Cyprus of Ships, irrespective of flag
they are flying, calling at Cyprus ports
c/o Cyprus Shipping Chamber
c/o Cyprus Union of Shipowners
c/o Cyprus Shipping Association

To all Recognised Organisations (Classification Societies)

Subject: New European Union restrictive measures against Iran (Iran's Nuclear Programme):
(i) Council Decision 2012/635/CFSP amending Decision 2010/413/CFSP- Circular under paragraph 4 of Order P.I. 369/2010¹;
(ii) Council Implementing Regulation (EU) No. 945/2012 implementing Regulation (EU) No. 267/2012

I refer to the above matter and further to DMS Circulars No. 19/2010, No.30/2010, No.34/2010, No. 7/2012 and No. 17/2012, No. 48/2012, I wish to inform you of the recent adoption by the Council of the European Union of:

- (i) *Council Decision 2012/635/CFSP of 15 October 2012 amending Decision 2010/413/CFSP concerning restrictive measures against Iran;*
- (ii) *Council Implementing Regulation (EU) No. 945/2012 of 15 October 2012 implementing Regulation (EU) No. 267/2012 concerning restrictive measures against Iran.*

¹ Published in the Official Gazette of the Republic No. 4447, Supplement III (I), dated 20.08.2010.



2. Council Decision 2012/635/CFSP introduces the following new prohibitions on transportation:

Prohibition on the transportation of Iranian natural gas

2.1 Council Decision 2012/635/CFSP prohibits the transportation of **Iranian natural gas** as well as the provision of direct or indirect financial assistance including **insurance and reinsurance** related to the transport of Iranian natural gas (see paragraphs 1. and 2. of new Article 3e respectively of Council Decision 2010/413/CFSP as amended).

Prohibition on the transfer to Iran of graphite, and raw or semi-finished metals

2.2.1 Council Decision 2012/635/CFSP further prohibits the transfer to Iran of **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 and ballistic missile programme, **from the territories of Member States**, or **using vessels under the jurisdiction of Member States** (see new Article 4e of Council Decision 2010/413/CFSP as amended).

2.2.2 The aforementioned prohibitions shall be without prejudice to the execution, until 15 April 2013, of contracts concluded before 16 October 2012 or ancillary contracts necessary for the execution of such contracts (see new Article 4f of Council Decision 2010/413/CFSP as amended).

Prohibition on the transfer of key naval equipment and technology for ship-building, maintenance or refit

2.3.1 Under Council Decision 2012/635/CFSP the transfer of **key naval equipment and technology for ship-building**, maintenance or refit to Iran or to Iranian or Iranian-owned enterprises engaged in this sector, **from the territories of Member States**, or **using vessels under the jurisdiction of Member States** is prohibited (see paragraph 1. of new Article 4g of Council Decision 2010/413/CFSP as amended).

2.3.2 The prohibition provided in the aforementioned paragraph shall be without prejudice to-

- (a) the supply of key naval equipment and technology to a non-Iranian-owned or controlled vessel that has been forced into an Iranian port or Iranian territorial waters under *force majeure* (see paragraph 2. of new Article 4g of Council Decision 2010/413/CFSP as amended).
- (b) the execution, until 15 February 2013, of contracts concluded before 16 October 2012 or ancillary contracts necessary for the execution of such contracts (see new Article 4h of Council Decision 2010/413/CFSP as amended).

Prohibition to the transfer to Iran of software for integrating industrial processes

2.4.1 Council Decision 2012/635/CFSP introduces the prohibition of transfer to Iran of **software for integrating industrial processes**, irrespective of origin, which is relevant to industries controlled directly or indirectly by the Iranian Revolutionary Guard Corps or which is relevant to Iran's nuclear, military and ballistic missile programme, **from the territories of Member States**, or **using vessels under the jurisdiction of Member States** (see new Article 4i of Council Decision 2010/413/CFSP as amended).

2.4.2 The aforementioned prohibitions shall be without prejudice to the execution, until 15 January 2013, of contracts concluded before 16 October 2012 or ancillary contracts

necessary for the execution of such contracts (see new Article 4j of Council Decision 2010/413/CFSP as amended).

Compliance with the new prohibitions on transportation/ Implementation under paragraph 4 of Order P.I. 369/2010

3. **Owners, bareboat charterers, managers and representatives of ships under the Cyprus flag as well as of ships, irrespective of flag, calling Cyprus ports, are advised to strictly abide by the new prohibitions on transportation introduced by Council Decision 2012/635/CFSP outlined above in order to avoid exposure to criminal and other penalties.** It is recalled that paragraph 4 of national Prohibition Order P.I. 369/2010² extends the prohibition of transportation by Cyprus ships to “any items, materials and equipment in contravention of EU Council Decision 2010/413/CFSP and of any related Regulations or other instruments of the European Union adopted towards the implementation, amendment or replacement of the said Decision” (paragraph 2(e) of DMS Circular No. 30/2010 is of relevance).

Other prohibitions introduced by Council Decision 2012/635/CFSP

Prohibition on the construction of new oil tankers

4. It is worth noting that the Decision **prohibits the construction** or the participation in the construction **of new oil tankers for Iran** or for Iranian persons and entities (see new Article 8a of Council Decision 2010/413/CFSP as amended).

Prohibition of flagging and classification services to Iranian oil tankers and cargo vessels

5. Council Decision 2012/635/CFSP introduces a prohibition on the provision by nationals of Member States or from the territory under the jurisdiction of the Member States, of **flagging and classification services, including registration and identification numbers of any kind, to Iranian oil tankers and cargo vessels as of 15 January 2013** (see new Article 18a of Council Decision 2010/413/CFSP as amended).

Prohibition to supply vessels designed for the transport or storage of oil and petrochemical products

6. Moreover, Council Decision 2012/635/CFSP prohibits the supply of vessels designed for the transport or storage of oil and petrochemical products to Iranian persons, entities or bodies, as well as, to any person, entity or body for the transport or storage of Iranian oil and petrochemical products (see new Article 8b of Council Decision 2010/413/CFSP as amended).

Amendment of Annex II to Decision 2010/413/CFSP

7. Annex II to Decision 2010/413/CFSP containing the list of natural and legal entities subject to restrictive measures has been amended by Council Decision 2012/635/CFSP. It is noted that the **National Iranian Company (NITC)** is now contained in the said list (listed entity).

8. Consequently, **Council Implementing Regulation (EU) No. 945/2012** implementing Regulation (EU) No. 267/2012, amends Annex IX of the latter Regulation to reflect the

² The Cyprus Ships (Prohibition of Transportation of Specific Items, Materials, Equipment, Goods and Technology to and from Iran) Order of 2010, P.I. 369/2010.

amendments to the list of persons and entities introduced by Council Decision 2010/413/CFSP. **NITC** has now also been included in the relevant Annex to the Regulation.

9. The text of the aforesaid EU instruments may be obtained from <http://eur-lex.europa.eu/>. A regularly updated list of all the European Union restrictive measures in force can be found at http://eeas.europa.eu/cfsp/sanctions/docs/measures_en.pdf.

10. It is recalled that EU instruments have a direct effect and are binding on shipowners /ship operators and any violation may expose them to relevant penalties under the Cyprus legislation or the legislation of any other Member State.

11. All recipients of the present Circular are invited to abide by the new prohibitions introduced by recent Amending Council Decision 2012/635/CFSP and Council Implementing Regulation (EU) No. 945/2012, as well as the provisions of other EU Instruments imposing restrictive measures against Iran and by Order P.I. 369/2010.

This Circular must be placed on board vessels flying the Cyprus flag.



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Department of Merchant Shipping

Cc: -Permanent Secretary, Ministry of Communications and Works

- Attorney General of the Republic
- Permanent Secretary, Ministry of Foreign Affairs
- Permanent Secretary, Ministry of Defence
- Permanent Secretary, Ministry of Justice and Public Order
- Diplomatic Missions and Honorary Consular Officers of the Republic
- Maritime Offices of the Department of Merchant Shipping abroad
- General Manager, Cyprus Ports Authority
- Director, Department of Customs and Excise
- Registrar of Companies
- Commander, Cyprus Marine Police
- Cyprus Shipping Chamber
- Cyprus Union of Shipowners
- Cyprus Shipping Association
- Cyprus Bar Association

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