

REPUBLIC OF CYPRUS

MINISTRY OF COMMUNICATIONS AND WORKS



Circular No. 03/2014

4 February 2014

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

Subject: Six month suspension of certain European Union restrictive measures against Iran (Iran's Nuclear Programme) by virtue of Council Decision 2014/21/CFSP of 20 January 2014 amending Council Decision 2010/413/CFSP and Council Regulation (EU) No. 2014/42/EU of 20 January 2014 amending Regulation (EU) No. 267/2012 - Circular under paragraph 4¹ of national Prohibition Order P.I. 369/2010²

I refer to the above matter and further to DMS Circulars No. 19/2010, No.30/2010, No.34/2010, No. 7/2012, No. 17/2012, No. 48/2012, No. 55/2012, No. 63/2012, No. 05/2013 and No. 09/2013 I wish to inform you of the adoption by the Council of the European Union of the following Instruments relating to the sanction's on Iran's Nuclear Programme:

- **Council Decision 2014/21/CFSP** of 20 January 2014 amending Council Decision 2010/413/CFSP concerning restrictive measures against Iran; and of
- Council Regulation (EU) No. 2014/42/EU of 20 January 2014 amending Regulation (EU) No. 267/2012 concerning restrictive measures against Iran.

³ It is recalled that DMS Circulars No. 17/2012 (Part II), No. 63/2012 and No.05/2013 relate to the deterioration of the human rights situation in Iran.



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¹ It is recalled that paragraph 4 of national Prohibition Order P.I. 369/2010 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 <u>implementation</u>, amendment or replacement of the said Decision" (paragraph 2(e) of DMS Circular No. 30/2010 and Part I of DMS Circular No. 17/2012 are of relevance).

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

- 2. By virtue of the above newly adopted European Union Instruments, the following **prohibitions** have been **suspended for a period of six months** from the entry into force⁴ of said EU Instruments i.e. **until 20 July 2014**-
 - (a) the prohibition on the provision of **insurance** and **reinsurance** and transport of **Iranian crude oil**;
 - (b) the prohibition on the import, purchase or **transport** of Iranian **petrochemical products** and on the provision of related services;
 - (c) the prohibition on trade in **gold and precious metals** with the Government of Iran, its public bodies and the Central Bank of Iran, or persons and entities acting on their behalf.

3. Consequently-

- (a) the prohibition on the transportation by Cyprus Ships of **crude oil** or **petroleum**⁵ **products** as well as the provision of **insurance** or **re-insurance** related to the transportation of such products contained in Paragraph (D)/ Part I.1 of DMS Circular No. 17/2012 of 9.04.2012 have been **suspended until 20 July 2014**;
- (b) the prohibition on the transportation by Cyprus Ships of **petrochemical products** contained in Paragraph (E)/ Part I.1 of DMS Circular No. 17/2012 of 9.04.2012 is **suspended until 20 July 2014**;
- (c) the prohibition on the transportation by Cyprus Ships of **gold and precious metals**⁶ contained in Paragraph (F)/ Part I.1 of DMS Circular No. 17/2012 of 9.04.2012 is **suspended until 20 July 2014**. The prohibition with respect to the transportation of **diamonds** (referred to in the same paragraph of DMS Circular No. 17/2012) **remains in force**.
- 4. Notwithstanding the above six month suspension, the owners/ managers of ships under the Cyprus flag are **strongly advised to consult their insurance providers** (Protection and Indemnity, "P&I" Clubs) **prior to entering into a contract** for the transportation of the above goods within the six month period of suspension in order to **ensure that insurance cover arrangements will be available** to them for such a carriage. In this respect, it is noted that the Club Members of the International Group of Protection and Indemnity (P&I) Clubs ("the Group") have recommended their members <u>not to enter into contracts</u> for transportation of crude oil, petroleum oil and petrochemical products which are permissible for a limited period (up to 20 July 2014) due to the fact that the Group has been seeking clarifications from the relevant US/ EU regulators as to whether they will be able to respond to liabilities arising during the suspension period which, however, may not be crystallised or presented until after 20 July 2014.
- 5. The text of the aforesaid EU instruments may be obtained from http://eur-lex.europa.eu whereas, 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. A

⁴ These have entered into force on 20th January 2014.

⁵ See new Annex XI introduced by Council Regulation (EU) No. 2014/42/EU.

⁶ See new Annex XII introduced by Council Regulation (EU) No. 2014/42/EU.

Press Release issued by the Council of the European Union following the adoption of the 20th January 2014 Instruments is attached hereto.

- 6. 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 EU Member State.
- 7. 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 prohibitions on transportation contained in the EU Instruments with respect to Iran.

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

Andreas I. Chrysostomou

Acting Director

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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COUNCIL OF THE EUROPEAN UNION



Brussels, 20 January 2014 5321/14 (OR. en) PRESSE 10

Iran: EU suspends certain sanctions as Joint Plan of Action enters into force

As part of the implementation of the Joint Plan of Action agreed by Iran and the E3/EU+3, which enters into force today, the Council today suspended certain EU restrictive measures against Iran for a period of six months. By putting the sanctions relief in place, the EU has implemented its part of the first step towards a comprehensive solution to address concerns about the Iranian nuclear programme. The first step may be prolonged by mutual consent between the Iran and the E3/EU+3.

Today's decision has lifted the prohibition on the provision of insurance and transport in relation to Iranian crude oil sales to its current customers.

In addition, the prohibition on the import, purchase or transport of Iranian petrochemical products and related services has been suspended.

To enable the transport of Iranian crude oil and petrochemical products, the prohibition on the provision of vessels is also suspended.

The ban on trade in gold and precious metals with the Iranian government, its public bodies and the Central Bank of Iran has also been suspended. As foreseen by the Joint Plan of Action, the thresholds for authorising financial transfers to and from Iran have been increased tenfold in order to ease legitimate trade with Iran.

The suspension will last for a period of six months during which relevant contracts will have to be executed.

The legal acts adopted by the Council will be published later today in the EU Official Journal and enter into force today.

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The remainder of the EU sanctions against Iran remain in force. For more details about them and on EU-Iran relations, see <u>factsheet European Union and Iran</u>.

EU sanctions apply in the EU, to EU nationals as well as to entities incorporated under the law of a member state. For more information, see <u>factsheet EU restrictive measures</u>.

See also: Joint Plan of Action between the E3/EU+3 and Iran

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