



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 13.3.2007
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Proposal for a
COUNCIL REGULATION
concerning restrictive measures against Iran

(presented by the Commission)

EXPLANATORY MEMORANDUM

- (1) On 23 December 2006, the UN Security Council adopted Resolution 1737 (2006) on Iran. That Resolution is based on Chapter VII of the UN Charter and provides for a number of restrictive measures in an effort to ensure that Iran comply with the UN Security Council's decision that it has to suspend its proliferation sensitive nuclear activities. On 22 January 2007, the Council (External Relations) discussed implementation of Resolution 1737 and concluded:

“To ensure effective implementation of measures in UNSCR 1737 while remaining consistent with EU policy, and recalling the EU policy not to sell arms to Iran, Ministers agreed that the EU should prevent the export to and import from Iran of the goods on the NSG and MTCR lists; ban transactions with and freeze the assets of individuals and entities covered by the criteria in UNSCR 1737; ban travel to the EU of the individuals covered by these criteria; and take measures to prevent Iranian nationals from studying proliferation sensitive subjects within the EU.”
- (2) Common Position 2007/140/CFSP of 27 February 2007 provides for implementation of the restrictive measures of Resolution 1737 in line with the Council conclusions. These measures comprise:
 - a ban on exports of the goods and technology included in the NSG and MTCR lists, and on other goods and technology which could contribute to enrichment-related, reprocessing, or heavy-water-related activities, or to the development of nuclear weapon delivery systems, as determined by the UN Security Council or the Sanctions Committee implementing Resolution 1737, as well as a ban on the provision of related services,
 - restrictions on exports of other goods and technology meeting the criteria set out in paragraphs 4(b) and (c) of Resolution 1737, and on the provision of related services,
 - a ban on investment related to such goods and technology,
 - a ban on procurement of such goods and technology from Iran,
 - the freezing of funds and economic resources of persons, entities and bodies engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or the development of nuclear weapon delivery systems,
 - restrictions on admission of the natural persons referred to above, and
 - restrictions to prevent Iranian nationals from studying proliferation sensitive subjects in the EU.
- (3) The restrictive measures concerning goods and technology, and the freezing of funds and economic resources fall within the scope of the Treaty and cannot be adequately applied on the basis of existing Community legislation.

- (4) Member States can apply the restrictions on admission on the basis of existing legislation, including Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement. By means of refusal of visas and of admission, accompanied, where applicable, by cancellation of visas granted and subsequent expulsion, where needed, they may prevent Iranian nationals from studying in the EU.
- (5) The Commission proposes, therefore, to implement all restrictive measures set out in UN Security Council Resolution 1737 (2006), with the exception of the restrictions on admission and studying proliferation sensitive subjects, by means of a new Council Regulation.

Proposal for a

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 60 and 301 thereof,

Having regard to Common Position 2007/140/CFSP concerning restrictive measures against Iran¹,

Having regard to the proposal from the Commission,

Whereas:

- (1) On 23 December 2006, the UN Security Council adopted Resolution 1737 (2006) deciding that Iran should without further delay suspend all enrichment-related and reprocessing activities, as well as work on all heavy water-related projects, and take certain steps required by the IAEA Board of Governors, which the UN Security Council deems essential to build confidence in the exclusively peaceful purpose of Iran's nuclear programme. In order to persuade Iran to comply with this mandatory decision, the UN Security Council decided that all Member States of the United Nations should apply a number of restrictive measures.
- (2) In line with Resolution 1737 (2006), Common Position 2007/140/CFSP provides for certain restrictive measures against Iran. These measures include restrictions on exports and imports of goods and technology which could contribute to Iran's enrichment-related, reprocessing, or heavy water-related activities, or to the development of nuclear weapon delivery systems, a ban on the provision of related services, a ban on investment related to such goods and technology, a ban on procurement of relevant goods and technology from Iran, as well as the freezing of funds and economic resources of persons, entities and bodies engaged in, directly associated with or providing support for such activities or development.
- (3) These measures fall within the scope of the Treaty establishing the European Community and, therefore, notably with a view to ensuring their uniform application by economic operators in all Member States, Community legislation is necessary in order to implement them as far as the Community is concerned.
- (4) This Regulation should derogate from existing Community legislation that provides for general rules on exports to, and imports from, third countries, and in particular

¹ OJ L 61, 28.2.2007, p. 49.

from Council Regulation (EC) No 1334/2000 of 22 June 2000 setting up a Community regime for the control of exports of dual-use items and technology²; a large part of these items and technology should be covered by this Regulation.

- (5) For reasons of expediency, the Commission should be empowered to publish the list of banned goods and technology and any amendments to it that will be adopted by the Sanctions Committee or the UN Security Council, and to amend the lists of persons, entities and bodies whose funds and economic resources should be frozen.
- (6) Member States should determine the penalties applicable to infringements of the provisions of this Regulation. The penalties provided for should be proportionate, effective and dissuasive.
- (7) In order to ensure that the measures provided for in this Regulation are effective, this Regulation should enter into force immediately,

HAS ADOPTED THIS REGULATION:

Article 1

For the purposes of this Regulation, the following definitions shall apply:

- (a) "Sanctions Committee" means: the Committee of the UN Security Council which was established pursuant to paragraph 18 of UN Security Council Resolution 1737 (2006);
- (b) "technical assistance" means any technical support related to repairs, development, manufacture, assembly, testing, maintenance, or any other technical service, and may take forms such as instruction, advice, training, transmission of working knowledge or skills or consulting services; including verbal forms of assistance;
- (c) "ownership of a legal person, entity or body" means possession of 50 % or more of the proprietary rights of a legal person, entity or body, or of a majority interest therein,
- (d) "control of a legal person, entity or body" exists if a natural or legal person, entity or body
 - (i) has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of such legal person, entity or body;
 - (ii) has appointed solely as a result of the exercise of its voting rights a majority of the members of the administrative, management or supervisory bodies of a legal person, entity or body who have held office during the present and previous financial year;

² OJ L 159, 30.6.2000, p. 1. Regulation as last amended by Regulation (EC) No 394/2006 (OJ L 74, 13.3.2006, p. 1).

- (iii) controls alone, pursuant to an agreement with other shareholders in or members of a legal person, entity or body, a majority of shareholders' or members' voting rights in that legal person, entity or body;
 - (iv) has the right to exercise a dominant influence over a legal person, entity or body, pursuant to an agreement entered into with that legal person, entity or body, or to a provision in its Memorandum or Articles of Association, where the law governing that legal person, entity or body permits its being subject to such agreement or provision;
 - (v) has the power to exercise the right to exercise a dominant influence referred to in point (d), without being the holder of that right;
 - (vi) has the right to use all or part of the assets of a legal person, entity or body;
 - (vii) manages the business of a legal person, entity or body on a unified basis, while publishing consolidated accounts; or
 - (viii) shares jointly and severally the financial liabilities of a legal person, entity or body, or guaranteeing them.
- (e) "funds" means financial assets and benefits of every kind, including but not limited to:
- (i) cash, cheques, claims on money, drafts, money orders and other payment instruments;
 - (ii) deposits with financial institutions or other entities, balances on accounts, debts and debt obligations;
 - (iii) publicly- and privately-traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivatives contracts;
 - (iv) interest, dividends or other income on or value accruing from or generated by assets;
 - (v) credit, right of set-off, guarantees, performance bonds or other financial commitments;
 - (vi) letters of credit, bills of lading, bills of sale; and
 - (vii) documents evidencing an interest in funds or financial resources;
- (f) "freezing of funds" means preventing any moving, transfer, alteration, use of, access to, or dealing with funds in any way that would result in any change in their volume, amount, location, ownership, possession, character, destination or other change that would enable the use of the funds, including portfolio management;
- (g) "economic resources" means assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but can be used to obtain funds, goods or services;

- (h) "freezing of economic resources" means preventing the use of economic resources to obtain funds, goods or services in any way, including, but not limited to, by selling, hiring or mortgaging them;
- (i) "territory of the Community" means the territories of the Member States to which the Treaty is applicable, under the conditions laid down in the Treaty, including their airspace.

Article 2

1. It shall be prohibited:
 - (a) to sell, supply, transfer or export, directly or indirectly, the goods and technology, including software, listed in Annex I, whether or not originating in the Community, to any natural or legal person, entity or body in, or for use in Iran;
 - (b) to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent the prohibition referred to in point (a).
2. Annex I shall include:
 - (a) all goods and technology, including software, included in the Nuclear Suppliers Group and Missile Technology Control Regime lists³, and
 - (b) other goods and technology, including software, determined by the Sanctions Committee or the UN Security Council as goods and technology which could contribute to Iran's enrichment-related, reprocessing, or heavy water-related activities, or to the development of nuclear weapon delivery systems.

Annex I shall not include goods and technology included in the EU Common List of Military Equipment⁴.

Article 3

1. An authorisation shall be required for the sale, supply, transfer or export, directly or indirectly, of the goods and technology, including software, listed in Annex II, whether or not originating in the Community, to any natural or legal person, entity or body in, or for use in Iran.
2. Annex II shall include any goods and technology other than those included in Annex I, which could contribute to enrichment-related, reprocessing or heavy water-related activities, to the development of nuclear weapon delivery systems, or to the pursuit of activities related to other topics of concern to the International Atomic Energy Agency (IAEA).

³ See UN documents S/2006/814 and S/2006/815.

⁴ The current version of the EU Common List of Military Equipment has been published in OJ C 66, 17.3.2006, p. 1.

3. The competent authorities of the Member States, as listed in Annex III, shall not grant any authorisation for any sale, supply, transfer or export of the goods or technology included in Annex II, if there are reasonable grounds to believe that the sale, supply, transfer or export concerned would contribute to one of the following activities:
- (a) Iran's enrichment-related, reprocessing or heavy water-related activities,
 - (b) the development of nuclear weapon delivery systems by Iran, or
 - (c) the pursuit by Iran of activities related to other topics of concern to the IAEA.
4. The competent authorities of the Member States, as listed in Annex III, acting in accordance with this Regulation, may refuse to grant an export authorisation and may annul, suspend, modify or revoke an export authorisation which they have already granted. Where they refuse, annul, suspend, substantially limit or revoke an authorisation, or when they have determined that the export of a controlled item is not to be authorised, they shall notify the competent authorities of the other Member States and the Commission thereof and share the relevant information with them, while complying with the provisions concerning the confidentiality of such information of Council Regulation (EC) No 515/97 of 13 March 1997 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters.⁵
- Those notifications will be made via secure electronic means for the exchange of sensitive information available to Member States and the Commission. Member States shall review denials of authorisations notified under this paragraph within three years of their notification and revoke them, amend them or renew them. Denials which are not revoked shall remain valid.
5. Before a Member State grants an export authorisation which has been denied by another Member State or States for an essentially identical transaction (meaning an essentially identical end use or an item with essentially identical parameters or technical characteristics to the same end user/consignee or wider entity encompassing the same end user) and for which the denial is still valid, it shall first consult the Member State or States which issued the valid denial(s) as provided for in paragraph 4, and will inform the Commission of the launching of those consultations. If following such consultations, the Member State intends to grant an authorisation, it shall inform the other Member States and the Commission, providing all relevant information to explain the intention.

Article 4

It shall be prohibited to purchase, import or transport the goods and technology, including software, listed in Annex I, from Iran, whether the item concerned originates in Iran or not.

⁵ OJ L 82, 22.3.1997, p. 1. Regulation as last amended by Regulation (EC) No 807/2003 (OJ L 122, 16.5.2003, p. 36).

Article 5

1. It shall be prohibited:
 - (a) to provide, directly or indirectly, technical assistance related to the goods and technology listed in Annexes I and II, and to the provision, manufacture, maintenance and use of goods listed in Annexes I and II, to any natural or legal person, entity or body in, or for use in, Iran;
 - (b) to provide, directly or indirectly, financing or financial assistance related to the goods and technology listed in Annexes I and II, including in particular grants, loans and export credit insurance, for any sale, supply, transfer or export of such items, or for any provision of related technical assistance to any natural or legal person, entity or body in, or for use in, Iran;
 - (c) to participate, knowingly and intentionally, in activities, the object or effect of which is to circumvent the prohibitions referred to in points (a) or (b).
2. An authorisation shall be required for the following actions:
 - (a) the acquisition of a participation in, the extension of an existing participation in, and the acquisition of
 - (i) ownership of real estate located in Iran, other than real estate for use as a private residence, or
 - (ii) ownership or control of a legal person, entity, body located, registered or incorporated in Iran,
 - (b) creating a legal person, entity or body in cooperation with one or more natural or legal persons, entities or bodies having the nationality of Iran;
 - (c) concluding a joint venture or cooperation agreement, a technology licensing agreement or an exclusive dealership or agency agreement with one or more natural or legal persons, entities or bodies having the nationality of Iran.
3. The competent authorities of the Member States, as listed in Annex III, shall not grant any authorisation for financing or assistance related to goods and technology listed in Annex II, nor for any action referred to in paragraph 2, unless they are satisfied that the action will neither contribute to the manufacture, sale, purchase, transfer, export, import or transport of goods and technology listed in Annexes I and II, nor facilitate the use of such goods and technology.

Article 6

Without prejudice to Article 3(3) and 5(3), the competent authorities of the Member States, as listed in Annex III, may grant, under such terms and conditions as they deem appropriate, an authorisation for a transaction referred to in Articles 2, 3 or 5, if all the following conditions are fulfilled:

- (a) the Sanctions Committee has determined in advance and on a case-by-case basis that the transaction would clearly not contribute to the development of technologies in support of Iran's proliferation sensitive nuclear activities, nor to the development of nuclear weapon development delivery systems,
- (b) the contract for delivery of the goods or technology, or for the provision of assistance, includes appropriate end-user guarantees, and
- (c) Iran has committed not to use the goods or technology concerned, or if applicable, the assistance concerned, in proliferation sensitive nuclear activities or for development of nuclear weapon delivery systems.

Article 7

1. All funds and economic resources belonging to, owned, held or controlled by the persons, entities and bodies listed in Annex IV shall be frozen. Annex IV shall include the persons, entities and bodies designated by the United Nations Security Council or by the Sanctions Committee in accordance with paragraph 12 of UNSCR 1737 (2006).
2. All funds and economic resources belonging to, owned, held or controlled by the persons, entities and bodies listed in Annex V shall be frozen. Annex V shall include natural and legal persons, entities and bodies who, without meeting the condition for inclusion in Annex IV, have been designated by the Council pursuant to Common Position 2007/140/CFSP, as
 - (a) being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities,
 - (b) being engaged in, directly associated with or providing support for Iran's development of nuclear weapon delivery systems,
 - (c) acting on behalf of or at the direction of a person, entity or body referred to under (a) or (b), or
 - (d) being a legal person, entity or body owned or controlled by a person, entity or body referred to under (a) or (b).
3. No funds or economic resources shall be made available, directly or indirectly, to or for the benefit of the natural or legal persons, entities or bodies listed in Annexes IV and V.
4. The participation, knowingly and intentionally, in activities the object or effect of which is, directly or indirectly, to circumvent the measures referred to in paragraphs 1, 2 and 3 shall be prohibited.

Article 8

By way of derogation from Article 7, the competent authorities of the Member States, as listed in Annex III, may authorise the release of certain frozen funds or economic resources, if the following conditions are met:

- (a) the funds or economic resources are the subject of a judicial, administrative or arbitral lien established prior to 23 December 2006 or of a judicial, administrative or arbitral judgement rendered prior to that date;
- (b) the funds or economic resources will be used exclusively to satisfy claims secured by such a lien or recognised as valid in such a judgement, within the limits set by applicable laws and regulations governing the rights of persons having such claims;
- (c) the lien or judgement is not for the benefit of a person, entity or body listed in Annex IV or V;
- (d) recognising the lien or judgement is not contrary to public policy in the Member State concerned; and
- (e) if Article 7(1) applies, the lien or judgement has been notified by the Member State to the Sanctions Committee.

Article 9

By way of derogation from Article 7 and provided payment by a person, entity or body listed in Annex IV or V is due under a contract, agreement or obligation that was concluded by, or arose for the person, entity or body concerned, prior to the date on which that person, entity or body has been designated by the Sanctions Committee, the Security Council or the Council, the competent authorities of the Member States, as listed in Annex III, may authorise, under such conditions as they deem appropriate, the release of certain frozen funds or economic resources, if the following conditions are met:

- (a) the competent authority concerned has determined that:
 - (i) the funds or economic resources shall be used for a payment by a person, entity or body listed in Annex IV or V;
 - (ii) the contract, agreement or obligation will neither contribute to the manufacture, sale, purchase, transfer, export, import or transport of goods and technology listed in Annexes I and II, nor facilitate the use of such goods and technology; and
 - (iii) the payment is not in breach of Article 7(3);
- (b) if Article 7(1) applies, the Member State concerned has notified the Sanctions Committee of that determination and its intention to grant an authorisation, and the Sanctions Committee has not objected to that course of action within ten working days of notification; and

- (c) if Article 7(2) applies, the competent authority concerned has notified that determination and its intention to grant an authorisation to the other competent authorities of the Member States and to the Commission at least two weeks prior to the authorisation.

Article 10

1. This Article applies by way of derogation from Article 7 and does not apply to payments by a person, entity or body listed in Annex IV or V, which are due under a contract, agreement or obligation that was concluded by, or arose for the person, entity or body concerned, prior to the date on which that person, entity or body concerned has been designated by the Sanctions Committee, the Security Council or the Council.
2. The competent authorities of the Member States, as listed in Annex III, may authorise, under such conditions as they deem appropriate, the release of certain frozen funds or economic resources, or the making available of certain funds or economic resources, if the following conditions are met:
 - (a) the competent authority concerned has determined that the funds or economic resources are:
 - (i) necessary to satisfy the basic needs of persons listed in Annex IV or V, and their dependent family members, including payments for foodstuffs, rent or mortgage, medicines and medical treatment, taxes, insurance premiums, and public utility charges;
 - (ii) intended exclusively for payment of reasonable professional fees and reimbursement of incurred expenses associated with the provision of legal services; or
 - (iii) intended exclusively for payment of fees or service charges for routine holding or maintenance of frozen funds or economic resources; and
 - (b) if the authorisation concerns a person, entity or body listed in Annex IV, the Member State concerned has notified the Sanctions Committee of that determination and its intention to grant an authorisation, and the Sanctions Committee has not objected to that course of action within five working days of notification.
3. The competent authorities of the Member States, as listed in Annex III, may authorise the release of certain frozen funds or economic resources or the making available of certain frozen funds or economic resources, after having determined that the funds or economic resources are necessary for extraordinary expenses, provided that
 - (a) if the authorisation concerns a person, entity or body listed in Annex IV, this determination has been notified by the Member State concerned to the Sanctions Committee and that the determination has been approved by that Committee, and

- (b) if the authorisation concerns a person, entity or body listed in Annex V, the competent authority has notified the grounds on which it considers that a specific authorisation should be granted to the other competent authorities of the Member States and to the Commission at least two weeks prior to the authorisation.
- 4. The relevant competent authority shall inform the other competent authorities of the Member States and the Commission of any authorisation granted under paragraphs 2 and 3.

Article 11

- 1. Article 7(3) shall not prevent financial or credit institutions in the Community from crediting frozen accounts where they receive funds transferred by third parties to the account of a listed natural or legal person, entity or body, provided that any additions to such accounts will also be frozen. The financial or credit institution shall inform the competent authorities about such transactions without delay.
- 2. Article 7(3) shall not apply to the addition to frozen accounts of:
 - (a) interest or other earnings on those accounts; or
 - (b) payments due under contracts, agreements or obligations that were concluded or arose prior to 23 December 2006;

provided that any such interest, other earnings and payments are frozen in accordance with Article 7(1) or 7(2).

Article 12

The freezing of funds and economic resources or the refusal to make funds or economic resources available, carried out in good faith on the basis that such action is in accordance with this Regulation, shall not give rise to liability of any kind on the part of the natural or legal person or entity or body implementing it, or its directors or employees, unless it is proved that the funds and economic resources were frozen or withheld as a result of negligence.

Article 13

- 1. Without prejudice to the applicable rules concerning reporting, confidentiality and professional secrecy, natural and legal persons, entities and bodies shall:
 - (a) supply immediately any information which would facilitate compliance with this Regulation, such as accounts and amounts frozen in accordance with Article 7, to the competent authorities of the Member States, as listed in Annex III, where they are resident or located, and shall transmit such information, directly or through these competent authorities, to the Commission;

- (b) cooperate with the competent authorities, as listed in Annex III, in any verification of this information.
- 2. Any additional information directly received by the Commission shall be made available to the competent authorities of the Member State concerned.
- 3. Any information provided or received in accordance with this Article shall be used only for the purposes for which it was provided or received.

Article 14

The Commission and Member States shall immediately inform each other of the measures taken under this Regulation and shall supply each other with any other relevant information at their disposal in connection with this Regulation, in particular information in respect of violations and enforcement problems and judgments handed down by national courts.

Article 15

- 1. The Commission shall:
 - (a) amend Annex I on the basis of determinations made by either the United Nations Security Council or the Sanctions Committee;
 - (b) amend Annex III on the basis of information supplied by Member States;
 - (c) amend Annex IV on the basis of determinations made by either the United Nations Security Council or the Sanctions Committee; and
 - (d) amend Annex V on the basis of decisions taken in respect of Annex II to Common Position 2007/140/CFSP.
- 2. The Commission shall, where possible, notify Regulations made pursuant to paragraph 1(d) to the persons, groups and entities listed in those Regulations, together with the Council's statement of reasons for their inclusion in the Annex to Common Position 2007/140/CFSP. Notifications concerning new listings shall take place after publication of the relevant Regulation in the Official Journal of the European Union.

Article 16

- 1. Member States shall lay down the rules on penalties applicable to infringements of this Regulation and shall take all measures necessary to ensure that they are implemented. The penalties provided for shall be effective, proportionate and dissuasive.
- 2. Member States shall notify the Commission of those rules without delay after the entry into force of this Regulation and shall notify it of any subsequent amendment.

Article 17

This Regulation shall apply:

- (a) within the territory of the Community;
- (b) on board any aircraft or any vessel under the jurisdiction of a Member State;
- (c) to any person inside or outside the territory of the Community who is a national of a Member State;
- (d) to any legal person, entity or body which is incorporated or constituted under the law of a Member State;
- (e) to any legal person, entity or body in respect of any business done in whole or in part within the Community.

Article 18

This Regulation shall enter into force on the day 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

Goods and technology referred to in Article 2

Note:

Where possible, the items in this Annex are defined by reference to the list of dual-use items set out Annex I to Regulation (EC) No 1334/2000, as amended by Council Regulation (EC) No 394/2006. If an item in this Annex is not identical to an item included in that Annex, the reference number taken from the list of dual-use items is preceded by 'ex' and the description of the goods or technology found in this Annex shall be decisive.

I.A. Goods

...

I.B. Technology

...

ANNEX II

Goods and technology referred to in Article 3

Note:

Where possible, the items in this Annex are defined by reference to the list of dual-use items set out Annex I to Regulation (EC) No 1334/2000, as amended by Council Regulation (EC) No 394/2006. In the absence of an explicit statement to the contrary, a reference in the column 'Related item from Regulation (EC) No 1334/2000' means that the characteristics of the item described in this Annex lie outside the parameters controlled by the dual-use item referred to.

II.A. Goods

A0 Nuclear Materials, Facilities, and Equipment

No	Description	Related item from Regulation (EC) No 1334/2000
II.A0.001	Cathode lamps as follows: a. Iodine hollow cathode lamps with windows in pure silicon or quartz b. Uranium hollow cathode lamps	-
II.A0.002	Faraday isolators in the range 500 nm – 650 nm	-
II.A0.003	Optical grating in the range 500 nm – 650 nm, whether holographic blazed or not	-
II.A0.004	Optical fibres in the range 500-650 nm coated with anti-reflecting layers in the range 500-650 nm and having core diameter greater than 0.4 mm but not exceeding 2 mm	-
II.A0.005	Internal parts of nuclear reactors other than those defined in item 0A001	0A001
II.A0.006	Seals for reactor vessels, and equipment for sealing, testing and measuring of such seals. Note: This item does not control equipment defined in item 0A001	0A001

II.A0.007	Instruments for detecting and measuring ionising radiation Note: this item does not control the instruments defined in items 0A001.j and 1A004.c	0A001.j 1A004.c
II.A0.008	Bellows-sealed valves made of aluminium alloy or stainless steel type 304 or 316 L. Note: This item does not control bellow valves defined in 0B001.c.6 and 2A226	0B001.c6 2A226
II.A0.009	Optical components (plane, convex and concave mirrors) coated with high reflecting or controlled multi-layers in the range 500 – 650 nm	0B001.g
II.A0.010	Transparent optics coated with anti-reflecting layers in the range 500-650 nm, including lens, polarizers, $\lambda/2$ plate, $\lambda/4$ plate, rotators, and laser windows in silicium or quartz.	0B001.g
II.A0.011	Piping systems, header systems, pipes, flanges, fittings made of nickel or nickel alloy with more than 40 % nickel by weight. Note: this item does not control piping systems and header systems defined in 0B002.e and pipes described in item 2B350.h.1	0B002.e, 2B350
II.A0.012	Turbomolecular pumps having a flow-rate that equals or exceeds 400 l/s	0B002.f.2 2B231
II.A0.013	Vacuum Roughing pumps having a volumetric aspiration flowrate exceeding 200m ³ /h	0B002.f.2
II.A0.014	Bellows sealed scroll dry compressor and vacuum pumps	0B002.f.2 2B231
II.A0.015	Shielded enclosures for the manipulation of radioactive substances (Hot cells)	0B006
II.A0.016	"Natural uranium" or "depleted uranium" in the form of metal or alloy. Note: This item does not control uranium defined in item 0C001.	0C001

No	Description	Related item from Regulation (EC) No 1334/2000
II.A1.001	Bis(2-ethylhexyl) phosphoric acid (HDEHP or D2HPA) - solvent in any quantity	-
II.A1.002	Carbon fiber reinforced silicon carbide (C/SiC) materials	-
II.A1.003	Fluorine gas (Chemical Abstract Number (CAS) 7782-41-4)	-
II.A1.004	Personal equipment for detecting ionising radiation of nuclear origin, including personal dosimeters Note: This item does not control nuclear detection systems defined in item 1A004.c	1A004.c
II.A1.005	Electrolytic cells for fluorine production with an output capacity greater than 100 g of fluorine per hour. Note: This item does not control electrolytic cells defined in item 1B225	1B225
II.A1.006	Detritiation equipment, including platinized catalysts and their substitutes	1B231
II.A1.007	Aluminium and its alloys in crude or semi-fabricated form having either of the following characteristics: a. Capable of an ultimate tensile strength of 460 MPa or more at 293 K (20 °C); or b. Having a tensile strength of 415 MPa or more at 298 K (25 °C)	1C002.b.4 1C202.a
II.A1.008	Magnetic metals, of all types and of whatever form, having an initial relative permeability of 120 000 or more and a thickness between 0,05 and 0,1 mm	1C003.a

II.A1.009	Unprocessed fluorinated compounds, as follows:	1C009
	a. polychlorotrifluoroethylene (PCTFE, e.g. Kel-F [®]),	
	b. Viton fluoro-elastomers,	
	c. polytetrafluoroethylene (PTFE)	
	Gaskets and seals made of fluorinated compounds defined in item 1C009 or in this item.	
II.A1.010	"Fibrous or filamentary materials" or prepregs, as follows:	1C010.b, 1C210
	a. Carbon or aramid 'fibrous or filamentary materials' having both of the following characteristics:	
	1. A 'specific modulus' of 10×10^6 m or greater; and	
	2. A 'specific tensile strength' of 17×10^4 m or greater;	
	b. Glass 'fibrous or filamentary materials'	
	Note: This item does not control fibrous or filamentary materials defined in items 1C010.b, 1C210.a and 1C210.b	
II.A1.011	'Fibrous or filamentary materials' which may be used in organic 'matrix', metallic 'matrix' or carbon 'matrix' 'composite' structures or laminates, as follows:	1C010.e, 1C210
	Resin-impregnated or pitch-impregnated fibres (prepregs), metal or carbon-coated fibres (preforms) or 'carbon fibre preforms', including para-aramids (especially KEVLAR [®])	
	Note: This item does not control fibrous or filamentary materials defined in item 1C010.e	
II.A1.012	Maraging steel capable of an ultimate tensile strength of 2 050 MPa or more, at 293 K (20 °C) in forms in which all linear dimensions are 75 mm or less	1C216

II.A1.013 Tungsten, tantalum, tungsten carbide, tantalum carbide and alloys, having both of the following characteristics: 1C226

a. In forms having a hollow cylindrical or spherical symmetry (including cylinder segments) with an inside diameter between 50 mm and 300 mm; and

b. A mass greater than 5 kg

Note: This item does not control tungsten, tungsten carbide and alloys defined in item 1C226

A2 Materials Processing

No	Description	Related item from Regulation (EC) No 1334/2000
II.A2.001	Vibration test systems capable of vibrating a system at an acceleration greater than 0,1 g rms (root mean square) between 0,1 Hz and 2 kHz and imparting forces equal to or greater than 50 kN, measured 'bare table' Note: This item does not control vibration test systems defined in item 2B116.a	2B116
II.A2.002	Machine tools for grinding having positioning accuracies with "all compensations available" equal to or less (better) than 15 µm according to ISO 230/2 (1988) (1) or national equivalents along any linear axis. Note: This item does not control machine tools for grinding defined in items 2B201.b and 2B001.c	2B201.b, 2B001.c
II.A2.003	Balancing machines designed or modified for dental or other medical equipment and having all the following characteristics: 1. Not capable of balancing rotors/assemblies having a mass greater than 3 kg; 2. Capable of balancing rotors/assemblies at speeds greater than 12 500 rpm; 3. Capable of correcting unbalance in two planes or more; and 4. Capable of balancing to a residual specific unbalance of 0,2 g mm per kg of rotor mass	2B219, 2B119

II.A2.004	Remote manipulators that can be used to provide remote actions in radiochemical separation operations or hot cells, having either of the following characteristics: a. A capability of penetrating 0,3 m or more of hot cell wall (through-the-wall operation); or b. A capability of bridging over the top of a hot cell wall with a thickness of 0,3 m or more (over-the-wall operation) Note: This item does not control remote manipulators defined in item 2B225	2B225
II.A2.005	Controlled atmosphere heat treatment furnaces, as follows: Furnaces capable of operation at temperatures between 400 °C and 850 °C	2B226, 2B227
II.A2.006	Oxidation furnaces capable of operation at temperatures between 400 °C and 850 °C	2B226, 2B227
II.A2.007	"Pressure transducers", including safety pressure gauges, made of UF ₆ corrosion resistant materials or of "non gas emissive" materials Note: This item does not control pressure transducers defined in item 2B230	2B230
II.A2.008	Liquid-liquid contacting equipment, including mixer-settlers, pulsed columns and centrifugal contactors, made from any of the following materials: 1. Alloys with more than 25 % nickel and 20 % chromium by weight; 2. Fluoropolymers; 3. Glass (including vitrified or enamelled coating or glass lining); 4. Nickel or alloys with more than 40 % nickel by weight; 5. Tantalum or tantalum alloys; 6. Titanium or titanium alloys; 7. Zirconium or zirconium alloys; or 8. Stainless steel	2B350

II.A2.009 Heat exchangers or condensers with a heat transfer surface area greater than 0,05 m², and less than 30 m²; and tubes, plates, coils or blocks (cores) designed for such heat exchangers or condensers, where all surfaces that come in direct contact with the chemical(s) being processed are made from any of the following materials: 2B350.d

1. Alloys with more than 25 % nickel and 20 % chromium by weight;
2. Fluoropolymers;
3. Glass (including vitrified or enamelled coatings or glass lining);
4. Graphite or 'carbon graphite';
5. Nickel or alloys with more than 40 % nickel by weight;
6. Tantalum or tantalum alloys;
7. Titanium or titanium alloys;
8. Zirconium or zirconium alloys;
9. Silicon carbide;
10. Titanium carbide; or
11. Stainless steel

Note: This item does not control heat exchangers and condensers defined in item 2B350.d

II.A2.010 Multiple-seal, and seal-less pumps suitable for corrosive fluids, with manufacturer's specified maximum flow-rate greater than 0,6 m³/hour, or vacuum pumps with manufacturer's specified maximum flow-rate greater than 5 m³/hour (under standard temperature (273 K (0 °C)) and pressure (101,3 kPa) conditions); and 2B350.i

casings (pump bodies), preformed casing liners, impellers, rotors or jet pump nozzles designed for such pumps, in which all surfaces that come in direct contact with the chemical(s) being processed are made from stainless steel or aluminium alloy

II.A2.011 Centrifugal separators, capable of continuous separation without the propagation of aerosols and manufactured from: 2B352.c

1. Alloys with more than 25 % nickel and 20 % chromium by weight;
2. Fluoropolymers;
3. Glass (including vitrified or enamelled coating or glass lining);
4. Nickel or alloys with more than 40 % nickel by weight;
5. Tantalum or tantalum alloys;
6. Titanium or titanium alloys; or
7. Zirconium or zirconium alloys

Note: This item does not control centrifugal separators defined in item 2B352.c

II.A2.012 Sintered metal filters made of nickel or nickel alloy with a nickel content of 40 % or more by weight. 2B352.d

Note: This item does not control filters defined in item 2B352.d

A3 Electronics

No	Description	Related item from Regulation (EC) No 1334/2000
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II.A3.001 High voltage direct current power supplies having both of the following characteristics: 3A227

- a. Capable of continuously producing, over a time period of 8 hours, 10 kV or greater, with output power of 5kW or greater with or without sweeping; and
- b. Current or voltage stability better than 0,1 % over a time period of 8 hours

Note: This item does not control power supplies defined in items 0B001.j.5 and 3A227

II.A3.002 Mass spectrometers capable of measuring ions of 200 atomic mass units or greater and having a resolution of better than 2 parts in 230, as follows, and ion sources therefor: 3A233

a. Inductively coupled plasma mass spectrometers (ICP/MS);

b. Glow discharge mass spectrometers (GDMS);

c. Thermal ionization mass spectrometers (TIMS);

d. Electron bombardment mass spectrometers which have a source chamber constructed from, lined with or plated with materials resistant to UF₆;

e. Molecular beam mass spectrometers having either of the following characteristics:

1. A source chamber constructed from, lined with or plated with stainless steel or molybdenum and equipped with a cold trap capable of cooling to 193 K (– 80 °C) or less; or

2. A source chamber constructed from, lined with or plated with materials resistant to UF₆;

f. Mass spectrometers equipped with a microfluorination ion source designed for actinides or actinide fluorides.

Note: This item does not control mass spectrometers defined in items 3A233 and 0B002.g

A.6 Sensors and Lasers

No	Description	Related item from Regulation (EC) No 1334/2000
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II.A6.001 Infrared optics having a band wave length between 9 and 17 µm and components therefor, in particular cadmium telluride (CdTe) components 6A003

Note: This item does not control cameras and components defined in item 6A003

- II.A6.002 "Deformable mirrors" and bimorph mirrors for use with a laser beam having a diameter exceeding 4 mm. Control systems and phase front detection systems for such mirrors and for laser beams having such a diameter 6A004.a, 6A005.e, 6A005.f
- Note: This item does not control mirrors defined in 6A004.a, 6A005.e and 6A005.f
- II.A6.003 "Lasers", "laser" amplifiers and oscillators, as follows: 6A005.a.6, 6A205.a
- Argon ion "lasers" having an average output power equal to or greater than 5 W
- Note: This item does not control argon ion "lasers" defined in items 0B001.g.5., 0B001.h.6., 6A005 and 6A205.a
- II.A6.004 Diode pumped lasers and components, as follows: 6A005.b
- a. Diode pumped lasers
 - b. Laser diodes rods
 - c. Laser diodes in large quantities
- Notes:
1. Semiconductor "lasers" are commonly called "laser" diodes
 2. This item does not control "lasers" defined in items 0B001.g.5, 0B001.h.6 and 6A005.b
- II.A6.005 Tunable semiconductor "lasers" and tunable semiconductor "laser" arrays, of a wavelength not exceeding 16 μm , as well as array stacks of semiconductor "lasers" containing at least one tunable semiconductor "laser array" of such wavelength 6A005.b
- Notes:
1. Semiconductor "lasers" are commonly called "laser" diodes
 2. This item does not control semiconductor "lasers" defined in items 0B001.g.5, 0B001.h.6, 6A005.b

- II.A6.006 Solid state "tunable" "lasers", components and optical equipment, as follows: 6A005.c.1
- a. Titanium-sapphire lasers
 - b. Alexandrite lasers
- Note: This item does not control titanium-sapphire and alexandrite lasers defined in items 0B001.g.5, 0B001.h.6 and 6A005.c.1
- II.A6.007 Solid state "non tunable" "lasers" as follows: 6A005.c.2
- Neodymium-doped (other than glass) "lasers", having an output wavelength exceeding 1 000 nm but not exceeding 1 100 nm and output energy exceeding 10 J per pulse
- Note: This item does not control neodymium-doped (other than glass) "lasers" defined in item 6A005.c.2.b
- II.A6.008 Components of acousto-optics, as follows: 6A203.b.4.c
- a. Framing tubes and solid-state imaging devices having a recurrence frequency equal to or exceeding 1kHz
 - b. Recurrence frequency supplies
 - c. Pockels cells
- II.A6.009 Radiation-hardened cameras, or lenses therefor, specially designed or rated as radiation hardened to withstand a total radiation dose greater than 50×10^3 Gy(silicon) without operational degradation. 6A203.c
- Note: This item does not control radiation-hardened TV cameras defined in item 6A203.c
- II.A6.010 "Lasers", "laser" amplifiers and oscillators as follows: 6A205.c
- Tunable pulsed dye laser amplifiers and oscillators, having all of the following characteristics:
- 1. Operating at wavelengths between 300 nm and 800 nm;
 - 2. An average output power greater than 10 W but not exceeding 30 W;
 - 3. A repetition rate greater than 1 kHz; and
 - 4. Pulse width less than 100 ns

Notes:

1. This item does not control single mode oscillators.
2. This item does not control tunable pulsed dye laser amplifiers and oscillators defined in item 6A205.c, 0B001.g.5, 0B001.h.6 and 6A005

II.A6.011 "Lasers", "laser" amplifiers and oscillators as follows: 6A205.d

Pulsed carbon dioxide "lasers" having all of the following characteristics:

1. Operating at wavelengths between 9 000 nm and 11 000 nm;
2. A repetition rate greater than 250 Hz;
3. An average output power greater than 100 W but not exceeding 500 W; and
4. Pulse width of less than 200 ns

Note: This item does not control tunable pulsed dye laser amplifiers and oscillators defined in item 6A205.d, 0B001.g.5, 0B001.h.6 and 6A005

II.A6.012 Yttrium aluminium garnet (YAG) rods 6C005

A.7 Navigation and Avionics

No	Description	Related item from Regulation (EC) No 1334/2000
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II.A7.001 Instrumentation, navigation equipment and systems, as follows, and specially designed components therefor: 7A003, 7A103

- a. Inertial navigation systems which are certified for use on "civil aircraft" by civil authorities of a "participating State"
- b. Theodolite systems incorporating inertial equipment specially designed for civil surveying purposes
- c. Inertial or other equipment containing accelerometers specified in item 7A001 where such accelerometers are specially designed and developed as MWD (Measurement While Drilling) sensors for use in downhole well services operations.

II.B. Technology

No	Description	Related item from Regulation (EC) No 1334/2000
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II.B.001	Technology required for the development, production or use of the items in Part A (Goods) above	
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ANNEX III

List of competent authorities referred to in Articles 3(3), 5(3), 6, 8, 9, 10 and 13 and address for notifications to the Commission

(to be completed by the Member States)

BELGIUM

BULGARIA

CZECH REPUBLIC

DENMARK

GERMANY

ESTONIA

GREECE

SPAIN

FRANCE

IRELAND

ITALY

CYPRUS

LATVIA

LITHUANIA

LUXEMBOURG

HUNGARY

MALTA

NETHERLANDS

AUSTRIA

POLAND

PORTUGAL

ROMANIA

SLOVENIA

SLOVAKIA

FINLAND

SWEDEN

UNITED KINGDOM

Address for notifications to the European Commission:

European Commission

DG External Relations

Directorate A. Crisis Platform and Policy Coordination in CFSP

Unit A.2. Crisis Management and Conflict Prevention

CHAR 12/106

B-1049 Bruxelles/Brussel (Belgium)

E-mail: relex-sanctions@ec.europa.eu

Tel.: (32 2) 295 55 85, 299 11 76

Fax: (32 2) 299 08 73

ANNEX IV

List of persons, entities and bodies referred to in Article 7(1)

A. *Legal persons, entities and bodies*

- (1) Atomic Energy Organisation of Iran (AEOI). Other information: Involved in Iran's nuclear programme.
- (2) Defence Industries Organisation (DIO). Other information: (a) Overarching MODAFL-controlled entity, some of whose subordinates have been involved in the centrifuge programme making components, and in the missile programme, (b) Involved in Iran's nuclear programme.
- (3) Fajr Industrial Group. Other information: (a) Formerly Instrumentation Factory Plant, (b) Subordinate entity of Aerospace Industries Organization (AIO), (c) Involved in Iran's ballistic missile programme.
- (4) Farayand Technique. Other information: (a) Involved in Iran's nuclear programme (centrifuge programme), (b) Identified in IAEA reports.
- (5) Kala-Electric (*alias* Kalaye Electric). Other information: (a) Provider for PFEP — Natanz, (b) Involved in Iran's nuclear programme.
- (6) Mesbah Energy Company. Other information: (a) Provider for A40 research reactor — Arak, (b) Involved in Iran's nuclear programme.
- (7) Pars Trash Company. Other information: (a) Involved in Iran's nuclear programme (centrifuge programme), (b) Identified in IAEA reports.
- (8) 7th of Tir. Other information: (a) Subordinate of DIO, widely recognized as being directly involved in Iran's nuclear programme, (b) Involved in Iran's nuclear programme.
- (9) Shahid Bagheri Industrial Group (SBIG). Other information: (a) Subordinate entity of AIO, (b) Involved in Iran's ballistic missile programme.
- (10) Shahid Hemmat Industrial Group (SHIG). Other information: (a) subordinate entity of AIO, (b) Involved in Iran's ballistic missile programme.

B. *Natural persons*

- (1) Dawood **Agha-Jani**. Function: Head of the PFEP (Natanz). Other information: Person involved in Iran's nuclear programme.
- (2) Behman **Asgarpour**. Function: Operational Manager (Arak). Other information: Person involved in Iran's nuclear programme.
- (3) Bahmanyar Morteza **Bahmanyar**. Function: Head of Finance & Budget Dept, AIO. Other information: Person involved in Iran's ballistic missile programme.

- (4) Ahmad Vahid **Dastjerdi**. Function: Head of the AIO. Other information: Person involved in Iran's ballistic missile programme.
- (5) Reza-Gholi **Esmaeli**. Function: Head of Trade & International Affairs Dept, AIO. Other information: Person involved in Iran's ballistic missile programme.
- (6) Ali Hajinia **Leilabadi**. Function: Director General of Mesbah Energy Company. Other information: Person involved in Iran's nuclear programme.
- (7) Jafar **Mohammadi**. Function: Technical Adviser to the AEOI (in charge of managing the production of valves for centrifuges). Other information: Person involved in Iran's nuclear programme.
- (8) Ehsan **Monajemi**. Function: Construction Project Manager, Natanz. Other information: Person involved in Iran's nuclear programme.
- (9) Mohammad Mehdi Nejad **Nouri**. Title: Lt Gen. Function: Rector of Malek Ashtar University of Defence Technology. Other information: The chemistry department of Ashtar University of Defence Technology is affiliated to MODALF and has conducted experiments on beryllium). Person involved in Iran's nuclear programme.
- (10) Mohammad **Qannadi**. Function: AEOI Vice President for Research & Development. Other information: Person involved in Iran's nuclear programme.
- (11) Yahya Rahim **Safavi**. Title: Maj Gen. Function: Commander, Islamic Revolutionary Guard Corps (IRGC, Pasdaran). Other information: Person involved in both Iran's nuclear and ballistic missile programmes.
- (12) Hosein **Salimi**. Title: General. Function: Commander of the Air Force, Islamic Revolutionary Guard Corps (IRGC, Pasdaran). Other information: Person involved in Iran's ballistic missile programme.

ANNEX V

List of persons, entities and bodies referred to in Article 7(2)

A. Legal persons, entities and bodies

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B. Natural persons

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