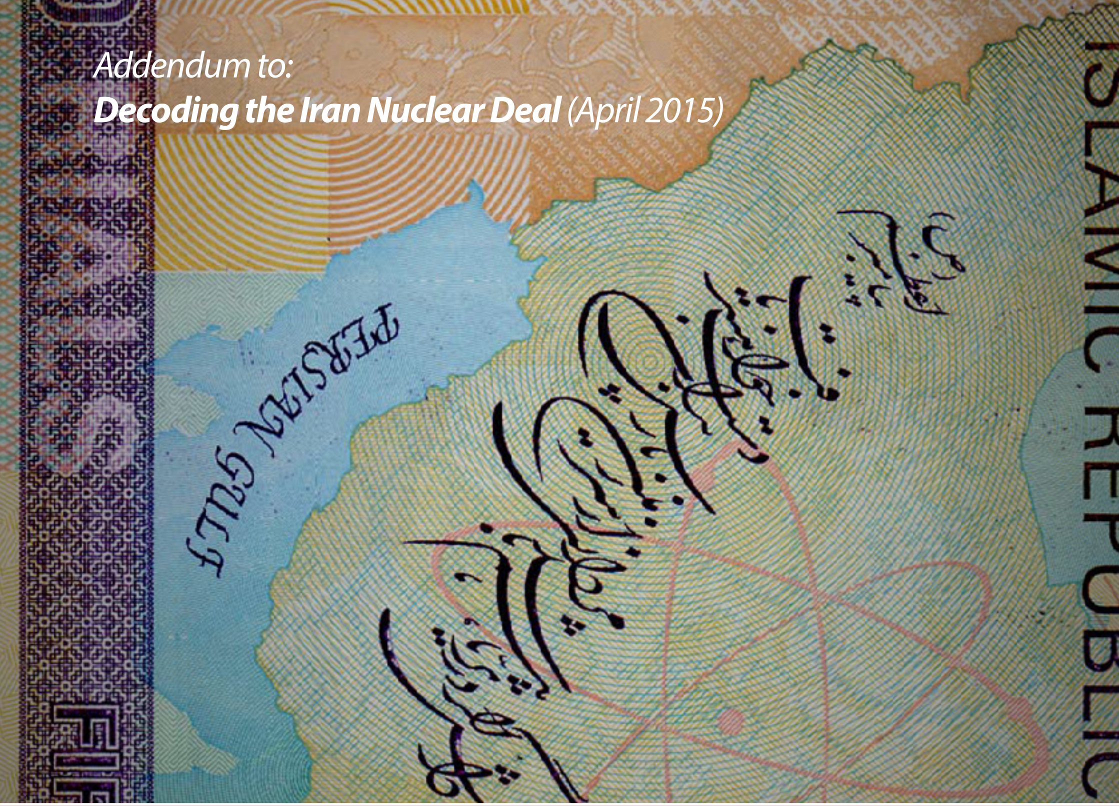
Sanctions Against Iran:
A Guide to Targets, Terms, and Timetables

Addendum to:
Decoding the Iran Nuclear Deal *(April 2015)*



HARVARD Kennedy School
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FOR SCIENCE AND INTERNATIONAL AFFAIRS

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Cover photo: The 50,000-Rial bank note released by the Central Bank of Iran in Tehran on Monday, March 12, 2007. (AP Photo)

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Read the original primer:

Decoding the Iran Nuclear Deal

Key questions, points of divergence, pros and cons, pending legislation, and essential facts in the wake of the April 2015 framework agreement.

http://belfercenter.org/**decoding**

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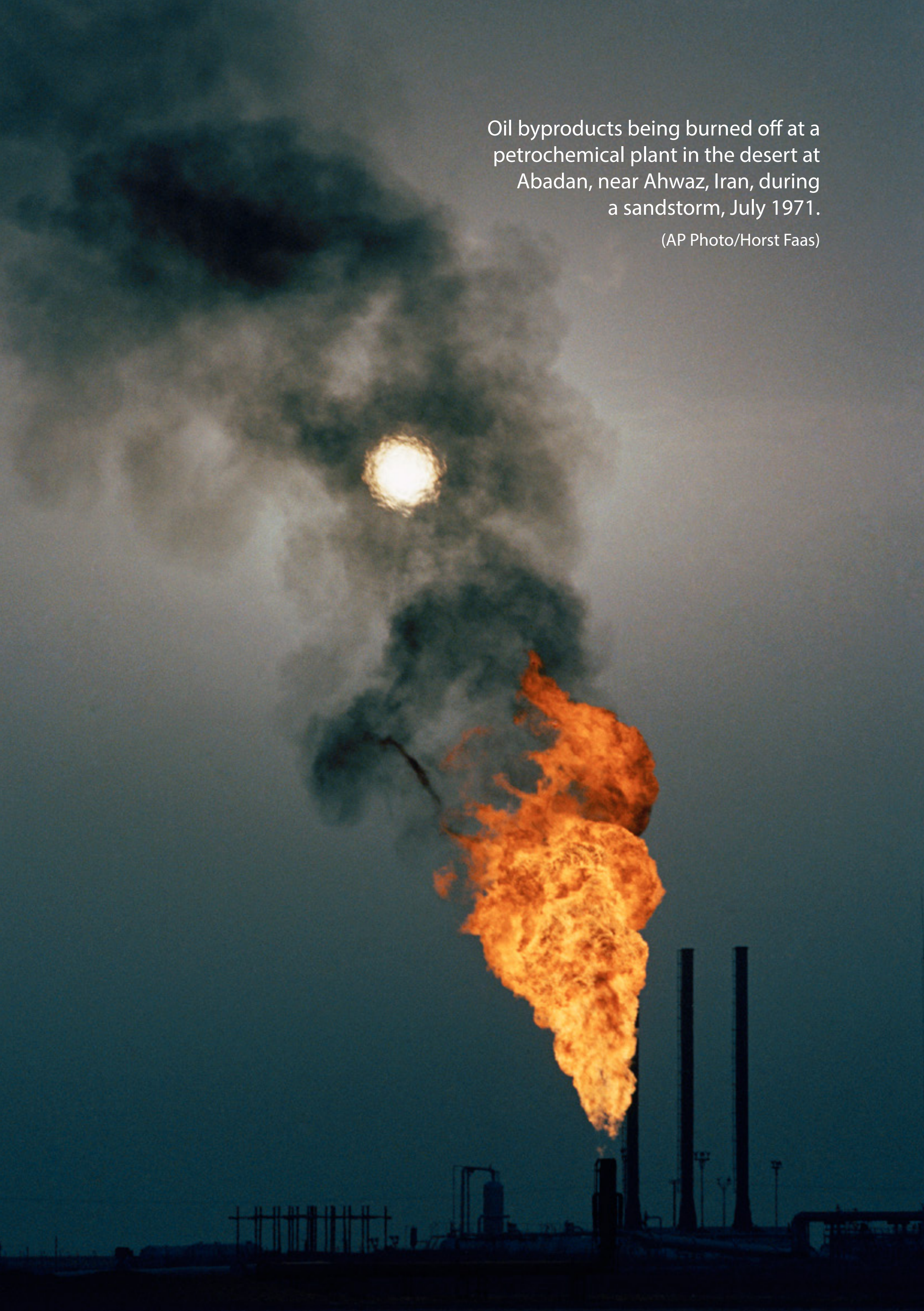

Oil byproducts being burned off at a petrochemical plant in the desert at Abadan, near Ahwaz, Iran, during a sandstorm, July 1971.

(AP Photo/Horst Faas)

1. Introduction

The patchwork of sanctions imposed against Iran is perhaps the most comprehensive sanctions effort ever marshaled by the international community. Organized by different countries with different priorities using different tools, sanctions played a key role in convincing Iran to accept initial restraints on its nuclear program and negotiate over its future.

Yet the complex nature of international sanctions—which isolated Iran and severely damaged its economy—today poses a serious challenge in nuclear negotiations. As diplomats strive to reach a comprehensive agreement by June 30, the extent and pace of unwinding sanctions has emerged as a core disagreement between Iran and the West.

To assist Members of Congress and observers in analyzing these issues and judging a potential comprehensive agreement, the Belfer Center for Science and International Affairs at the Harvard Kennedy School prepared this brief to outline the key facets of sanctions against Iran. Written as an addendum to our April policy brief, 'Decoding the Iran Nuclear Deal,' this report is driven by the policy debate's leading questions:

- If negotiations with Iran succeed in concluding a final agreement, which sanctions will be relieved, and when?
- Is the West limited in its ability to offer sanctions relief?
- How are international sanctions divided between nuclear-related measures and those that target other Iranian actions, like support of terrorism?

- What role have United Nations and European Union sanctions played?
- Will Iranian compliance with the agreement's terms be required before sanctions are waived?
- If Iran violates the terms of an agreement, can sanctions be re-imposed?

In an effort to answer these and other questions, this report begins by considering the history of sanctions against Iran and assesses which ones have caused the most impact. Next, it reviews the process of sanctions relief and sanctions "snap-back." Finally, the report provides a detailed summary of American sanctions and includes recommendations for additional reading.

2. History of the sanctions regime

American sanctions against Iran date back to the 1979 revolution and hostage taking. But the international sanctions regime that today has isolated Iran began less than 10 years ago with the referral of Iran to the UN Security Council over its nuclear program. Sanctions have been imposed for a variety of reasons, including proliferation of weapons of mass destruction, support for terrorism, and violation of human rights.

2.1 U.S. unilateral sanctions, 1979-2005

The first American sanctions against Iran followed the capture of American diplomats in Tehran in 1979. President Jimmy Carter issued an executive order seizing Iranian property in the U.S. and declaring that "the situation in Iran constitutes an unusual and extraordinary threat to the national security, foreign policy and economy of the United States."[1] President Ronald Reagan added Iran to the State Sponsors of Terrorism list after an attack by Iran-sponsored Hizballah in 1983 killed 241 U.S. Marines in Beirut. Designation as a state sponsor of terror results in immediate bans on U.S. financial assistance and restrictions on sales of dual use items, among other provisions (See Figure 1 for a listing of early U.S. sanctions).

1 As part of the Algiers Accords of January 1981, which secured the release of the American hostages, the United States agreed to unfreeze Iranian assets.

Following increasing concern about Iran's pursuit of weapons of mass destruction and support for terrorism, President Bill Clinton in 1995 issued two executive orders that banned all American trade with and investment in Iran. The following year, he signed the Iran and Libya Sanctions Act, which imposed sanctions on any firm that invested in Iran's energy sector above a certain monetary threshold (in 2006, the sanctions against Libya were lifted). The Iran Sanctions Act was a "secondary" sanction, meaning companies not based in the U.S. were also subject to sanctions by virtue of a threat: if companies chose to do business with Iran's energy sector, they could not also do business with the United States. European countries, however, viewed these sanctions as "extraterritorial," and the European Union threatened to challenge the sanctions in the World Trade Organization. The U.S. relented and agreed to waive the energy sanctions in exchange for European commitments to cooperate more robustly in countering Iran's development of weapons of mass destruction.

In the wake of the 9/11 terrorist attacks, executive orders and legislation signed by President George W. Bush provided additional authorities to target sponsors of terrorism and money laundering. But a coordinated international sanctions effort would wait until nuclear negotiations between Europe and Iran collapsed.

Figure 1: **Major U.S. Sanctions Actions, 1979–2005**

Note: See Appendix 1 for detailed summary of each sanctions action.

Name	Date	Description of select elements
Executive Orders 12170, 12205, 12211	Nov. 1979–April 1980	• Blocked Iranian property and prohibited some trade, including import of all goods from Iran. *Bans lifted under Algiers Accords in 1981.*
State Sponsor of Terror designation	January 1984	• Banned arms sales and foreign assistance to Iran.
Executive Order 12613	October 1987	• Banned import of all goods from Iran, including oil.
Iran-Iraq Arms Non-Proliferation Act	October 1992	• Sanctioned transfer of goods or technology related to WMD and some conventional arms.
Executive Order 12938	November 1994	• Imposed export controls on sensitive WMD technology.
Executive Orders 12957, 12959	March–May 1995	• Prohibited all U.S. investment in Iran, including in oil sector. • Banned export of American goods to Iran.
Iran and Libya Sanctions Act	August 1996	• Sanctioned companies that invest more than $20 million in Iranian oil sector.
Executive Order 13059	August 1997	• Expanded ban on exports to Iran.
Iran Non-proliferation Act	March 2000	• Sanctioned entities providing goods related to WMD or ballistic missiles.
Executive Order 13224	September 2001	• Blocked property of terrorists and financial supporters.
Executive Order 13382	June 2005	• Blocked property of WMD proliferators.

2.2 *International sanctions, 2006-present*

France, Germany, and the United Kingdom began negotiating with Iran in 2003, following the revelation that the Islamic Republic had been secretly constructing a uranium enrichment facility at Natanz and a heavy water production plant at Arak. But following the election of Mahmoud Ahmadinejad as president in 2005, negotiations collapsed and Iran ended its suspension of uranium conversion. The following year, in 2006, the International Atomic Energy Agency formally referred Iran to the UN Security Council, finding Tehran in noncompliance with its obligations. After another round of negotiations collapsed in summer 2006, the Security Council adopted the first in a series of sanctions resolutions against Iran.

From 2006 to 2010, the Security Council passed six resolutions that targeted Iran's nuclear and ballistic missile programs (see Figure 2). While the sanctions are limited in scope (i.e., they do not impose broad sanctions on Iran's energy or financial sectors) they provide international legal justification for more expansive sanctions. In particular, Resolution 1929 noted "the potential connection between Iran's revenues derived from its energy sector and the funding of Iran's proliferation sensitive nuclear activities." This language led to European action targeting Iran's oil and gas sectors, and eventually paved the way for a full EU embargo of Iranian oil.[2]

2 Japan and South Korea similarly implemented trade and energy sanctions against Iran in 2010. Both nations also substantially reduced purchases of Iranian crude oil (see Figure 6).

Figure 2: **UN Security Council Resolutions Against Iran**

Number	Date	Description of select elements
1696	July 2006	• Called upon states to "exercise vigilance and prevent the transfer" of material for nuclear and ballistic missile purposes.
1737	December 2006	• Banned export to Iran of "all items, materials, equipment, goods and technology" related to nuclear activities or development of nuclear weapon delivery systems. • Banned provision to Iran of technical or financial assistance related to nuclear activities. • Banned Iranian export of nuclear-related equipment and material. • Froze assets of individuals and companies involved in nuclear and ballistic missile programs.
1747	March 2007	• Banned export by Iran of "any arms or related materiel." • Expanded list of sanctioned individuals and companies.
1803	March 2008	• Expanded prohibitions on trade in sensitive nuclear equipment and materials. • Banned travel by sanctioned individuals. • Expanded list of sanctioned individuals and companies.
1835	September 2008	• Reaffirmed previous resolutions.
1929	June 2010	• Prohibited Iranian investment in foreign nuclear activities. • Banned export to Iran of major weapons systems and banned provision to Iran of technical or financial assistance related to acquiring these systems. • Called on states to inspect "all cargo to and from Iran" if suspected of transferring illicit materials. • Called on states to prevent the provision of financial services that would facilitate Iranian sanctions evasion. • Expanded list of sanctioned individuals and companies.

Starting in 2007, the European Union passed semi-autonomous, escalating sanctions against Iran, primarily targeting its nuclear and ballistic missile programs (see Figure 3). The most damaging European sanctions focused on Iran's energy and financial sectors. In addition to a full oil embargo in 2012, the EU froze the assets of Iran's central bank and severed Iran's lifeline to the international financial system, the SWIFT messaging service.

EU and UN efforts complemented increasingly stringent sanctions by the United States (see Figure 4). These measures expanded the scope of "secondary sanctions," which target parties that do business with Iran, particularly non-American companies. In the words of David Cohen, former Treasury undersecretary for terrorism and financial intelligence: "Foreign banks and businesses still have to make a choice: they can do business with Iran, or they can do business with the U.S.—not both." These sanctions prohibit nearly all engagement with Iran's financial and energy sectors and have involved a series of unprecedented steps, including the blacklisting of Iran's Islamic Revolutionary Guard Corps. This designation was the first time the U.S. had sanctioned part of another country's armed forces.

Figure 3: **EU Sanctions Against Iran**

Name	Date	Description of select elements
Council Common Position 2007/140/CFSP	February 2007	• Banned export of sensitive nuclear and ballistic missile technology. • Prohibited financial and technical assistance related to nuclear or missile activities. • Froze assets and denied travel of designated individuals and companies.
Council Decision 2010/413/CFSP	July 2010	• Banned export to Iran of all arms and materiel. • Prohibited financial and technical assistance related to nuclear activities or weapons acquisition. • Banned export to Iran of "key equipment and technology" related to oil and natural gas industry. • Prohibited provision of insurance or re-insurance to Iranian entities. • Expanded list of designated individuals and companies.
Council Decision 2011/235/CFSP	April 2011	• Froze assets and denied travel of individuals involved in human rights abuses.
Council Decision 2012/35/CFSP	January 2012	• Banned "import, purchase or transport" of Iranian crude oil and petrochemical products. • Prohibited provision of financing, insurance or reinsurance related to Iranian crude oil sale or transport. • Prohibited export to Iran of equipment for petrochemical industry and provision of technical or financial assistance. • Prohibited sale of gold, precious metals and diamonds to Iran.
Council Decision 2012/152/CFSP	March 2012	• Banned provision of financial messaging services to designated Iranian banks (i.e, denied access to SWIFT).
Council Decision 2012/635/CFSP	October 2012	• Banned "purchase, import or transport" of natural gas from Iran. • Banned export of shipbuilding technology.

Figure 4: **Major U.S. Sanctions Actions, 2006–present**

Note: See Appendix 1 for detailed summary of each sanctions action.

Name	Date	Description of select elements
Iran Freedom Support Act	September 2006	• Sanctioned involvement in Iranian development of WMD/advanced conventional weapons. • Codified U.S. trade ban.
Executive Order 13438	July 2007	• Blocked property of those involved in destabilizing Iraq.
Comprehensive Iran Sanctions, Accountability & Divestment Act	July 2010	• Sanctioned sale to Iran of gasoline or supporting domestic gasoline industry. • Sanctioned foreign financial institutions connected with WMD or terrorism.
Executive Order 13553	September 2010	• Blocked property of those involved in human rights abuses in Iran.
Executive Order 13572	April 2011	• Blocked property of those involved in human rights abuses in Syria, including Iranians.
Executive Order 13590	November 2011	• Sanctioned contributing to maintenance or expansion of Iranian petroleum resources.
Sect. 311 Money Laundering designation, USA PATRIOT Act	November 2011	• Designated Iranian financial sector as jurisdiction of "primary money laundering concern."
Section 1245, NDAA FY 2012	December 2011	• Restricted export of Iranian oil. • Codified Section 311 Money Laundering designation.

Name	Date	Description of select elements
Executive Order 13599	February 2012	• Blocked all Iranian government property under U.S. jurisdiction.
Executive Order 13606	April 2012	• Blocked property of those involved with human rights abuses perpetrated through information technology.
Executive Order 13608	May 2012	• Sanctioned evaders of sanctions.
Executive Order 13622	July 2012	• Sanctioned foreign financial institutions that facilitate petroleum sales.
Iran Threat Reduction and Syria Human Rights Act of 2012	August 2012	• Sanctioned support of petroleum sector. • Mandated that Iran's oil revenue be "locked up" in special escrow accounts.
Executive Order 13628	October 2012	• Expanded Iran Threat Reduction and Syria Human Rights Act
Iran Freedom and Counter-Proliferation Act of 2012	January 2013	• Sanctioned involvement in Iranian energy, shipping or shipbuilding, or provision of insurance or reinsurance to shipping firms. • Sanctioned provision of precious metals to Iran.
Executive Order 13645	June 2013	• Sanctioned involvement in Iranian automotive industry. • Blocked assets of banks doing business in rials, the currency of Iran.

3. Major sanctions targets

The most damaging sanctions against Iran have targeted its energy and financial sectors. While these sanctions are closely intertwined, they are presented here separately for simplicity.

3.1 Energy sanctions

Sanctions against Iran's energy sector seek to degrade Iran's ability to produce, sell, transport, and profit from its oil and gas—the nation's most important natural resources. Iran holds 10% of the world's crude reserves, and in 2008-9 oil revenue accounted for 65% of government income. International efforts to date include:

- *Embargo of Iranian oil.* American and European sanctions have driven Iranian oil exports from 2.5 million barrels per day, on average, in 2011, to 1.1 million barrels per day (see Figure 5). American companies are banned from purchasing or facilitating transactions involving Iranian oil (since 1995), and the EU imposed an oil embargo in 2012. Today, the U.S. permits only China, India, Japan, South Korea, Taiwan, and Turkey to purchase Iranian oil at a fixed level (see Figure 6).

- *Restricting access to oil revenues.* Revenue from sales of Iranian oil to those six buyers is locked up, in accordance with U.S. sanctions law. Iran can use that revenue only to purchase humanitarian goods (anywhere in the world) or to purchase goods from the country to which the oil was sold.

Iran has left much of that money—totaling more than $100 billion—in this unique form of escrow.

- *Limiting ability to transport oil and other goods*. Under U.S. and EU sanctions law, companies are prohibited from providing insurance or reinsurance services to Iranian oil companies or tankers, and the U.S. has identified and designated scores of Iranian ships. Sanctions also restrict the provision of vessels or of services to Iran's shipping or shipbuilding industries. These measures effectively blacklist Iran's shipping sector.

- *Ability to invest in oil production*. American sanctions prohibit companies from selling to Iran equipment used in oil and gas production. They also prohibit foreign firms from making substantial investments in oil and gas fields, thereby limiting Iran's ability to modernize its oil sector. EU sanctions similarly prohibit the provision of oil and gas technology and equipment. Japan and South Korea have implemented similar provisions.

Figure 5: **Impact of Sanctions on Crude Oil Exports**

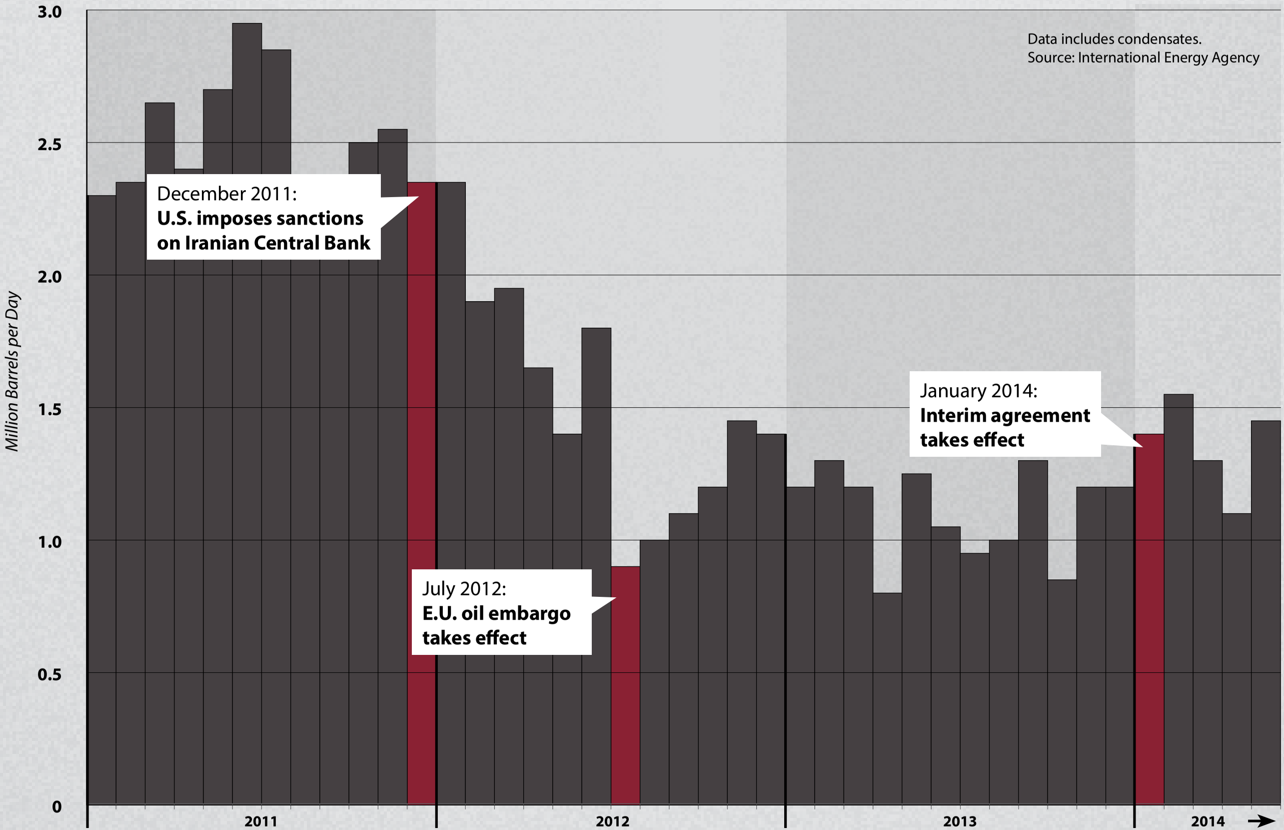

Figure 6: **Crude Oil Exports, Pre- and Post-Sanctions**

Measured in barrels/day

Buyer	Average Pre-Sanctions (2011)	Average Post-Interim Agreement (2014-present)	Percent change
European Union	600,000	*Negligible*	-100%
China	550,000	410,000	-25%
Japan	325,000	190,000	-40%
India	320,000	190,000	-40%
South Korea	230,000	130,000	-40%
Turkey	200,000	120,000	-40%
South Africa	80,000	0	-100%
Malaysia	55,000	0	-100%
Sri Lanka	35,000	*Negligible*	-100%
Taiwan	35,000	10,000	-70%
Singapore	20,000	0	-100%
Other	55,000	*Negligible*	-100%
Total	**2.505 million**	**1.057 million**	-60%

Note: Includes condensates.

Data: International Energy Agency; Congressional Research Service

Adapted from: Congressional Research Service

3.2 *Financial sanctions*

Sanctions against Iran's financial and banking sectors have almost entirely isolated Iranian banks—including the Central Bank of Iran—from the international financial system. In addition to blocking access of Iranian banks to the U.S. financial system, a core component of the American sanctions strategy is convincing private financial institutions to "self censor"—to voluntarily drop Iranian clients and refuse to process Iranian-connected accounts. Juan Zarate, former Treasury assistant secretary for terrorist financing and financial crimes, described the power of "suasion" as such: "The policy decisions of governments are not nearly as persuasive as the risk-based calculus of financial institutions. For banks, wire services, and insurance companies, there are no benefits to facilitating illicit transactions that could bring high regulatory and reputational costs if uncovered."

In response to U.S. sanctions, Iranian financial institutions have used different tactics to evade U.S. restrictions, such as using non-sanctioned banks to process transactions of sanctioned banks, or using exchange houses or trading companies to mask destinations of transactions. Subsequently, the U.S. imposed a new class of financial sanctions targeting sanctions evasion and money laundering.

The most serious actions taken against Iran include:

- *Sanctioning Iran's major banks.* Starting with the designation of Bank Sepah in 2007, the United States has sanctioned all of Iran's major banks (See Figure 7), cutting off their connections to the U.S. financial system and forcing foreign financial institutions to choose between doing business with Iranian banks or with the United States.

- *Disconnecting from SWIFT.* In 2012, the European Union ordered the Brussels-based financial messaging service, SWIFT, to disconnect designated Iranian banks. Unplugging Iranian banks—an unprecedented step—severed Iran's connections to the world's major banking centers, forcing Tehran to seek alternative ways to move money internationally.

- *Blocking "U-turn" transactions*. Until 2008, Iran could conduct transactions in U.S. dollars using a loophole known as a "U-turn" transaction. The loophole allows two non-American banks to conduct a transaction in dollars by clearing the transaction through New York; the transaction makes a "U-turn" through the U.S. without the sender or recipient needing to be American.

- *Money laundering designation*. In 2011, the U.S. designated Iran as a jurisdiction of "primary money laundering concern" under Section 311 of the USA PATRIOT Act. The Treasury Department "identified the entire Iranian financial sector, including Iran's Central Bank" as a danger to the worldwide financial system. It was the first time any country's central bank had been designated under Section 311. In addition to this action, the European Union froze the Central Bank's assets.

Figure 7: **Sanctions against 10 largest Iranian banks**

All of Iran's 10 largest banks have been sanctioned by the United States, and six have been sanctioned by the European Union. The reasons for each sanctions designation vary between each bank, and are listed below each bank.

	Sanction reason		
Bank	**U.S.**	**EU**	**UN**
1. **Central Bank of Iran** (Bank Markazi)	Money Laundering	Proliferation	×
2. **Bank Mellat**	Proliferation	Proliferation	×
3. **Bank Saderat Iran**	Terrorism	Proliferation	×
4. **Bank Melli Iran**	Proliferation	Proliferation	×
5. **Bank Tejarat**	Proliferation	Proliferation	×
6. **Bank Maskan**	Connection to Gov't	×	×
7. **Bank Keshavarzi**	Connection to Gov't	×	×
8. **Parsian Bank**	Connection to Gov't	×	×
9. **Bank Pasargad**	Connection to Gov't	×	×
10. **Bank Sepah**	Proliferation	Proliferation	Proliferation

Sources: Assets ranked by BankScope, based on most recent public reports. Sanctions information from U.S. Treasury Department, Specially Designated Nationals List; European Union External Action Service, Consolidated list of persons, groups and entities subject to EU financial sanctions; UN Security Council Resolutions.

4. Sanctions relief under comprehensive deal

The timing and extent of sanctions relief is contingent not only on the political decisions made by nuclear negotiators but also by the complex, overlapping nature of the sanctions regime itself.

In the April 2 joint statement, Iran and the West agreed that a comprehensive nuclear agreement would be endorsed by a UN Security Council Resolution and would

- "terminate" UN sanctions;
- "terminate the implementation" of EU sanctions; and
- "cease the application" of U.S. sanctions.

Most analysts consider United Nations and European Union sanctions the easiest to remove but the most difficult to reinstate—or "snap back"—if Iran violates an agreement. On the other hand, most American sanctions were implemented by Congress, limiting the President's ability to unilaterally offer permanent sanctions relief as part of a deal. Only Congress can repeal legislative sanctions.

While the vast majority of sanctions against Iran are related to nonproliferation (including nuclear and ballistic missile development), a small number of sanctions also target Iran's support for terrorism and violation of human rights. The April 2 joint statement confirmed that only "nuclear-related" sanctions would be relieved, leaving other sanctions in place.

4.1 ***How will sanctions be removed?***

4.1.1 UN and EU sanctions

Terminating UN sanctions would be straightforward, as the five permanent members of the UN Security Council are also negotiating with Iran. Similarly, European sanctions can be imposed, suspended, or terminated through a unanimous decision by the European Council, which experts believe will also be straightforward. As noted below, re-imposing the sanctions is a much more significant challenge.

4.1.2 U.S. sanctions

In contrast to UN and EU sanctions, permanently terminating U.S. sanctions in the short term is nearly impossible. All of the most serious American sanctions are codified in legislation, meaning that only an act of Congress can remove them.[3]

Instead, relief from American sanctions will be offered through Presidential waivers embedded in sanctions legislation. These waivers allow the President, for a certain period of time, to waive the application of sanctions. The duration of the waivers vary—some banking sanctions can only be waived for 30 days, while some energy waivers last for one year—but waivers are renewable, allowing the President to continue their application indefinitely. These waivers were used to provide to Iran sanctions relief under the November 2013 interim agreement (see

3 There are certain exceptions to this rule. Some sanctions can be terminated if certain conditions are met, such as Iran's removal from the State Sponsors of Terror list, which is unlikely to transpire. The Iran Sanctions Act will sunset in December 2016.

Figure 8 for additional discussion). Sanctions that are Executive Orders can be unilaterally removed by the President.

Figure 8: **Relief Under Interim Agreement**

In November 2013, Iran agreed under the Joint Plan of Action to freeze and roll back aspects of its nuclear program. In return, the international community provided Iran with limited sanctions relief, which continues as negotiations proceed:

• The U.S. suspended its effort to block all trade in Iranian crude oil and permitted six purchasers to continue importing Iranian crude, provided they do not increase their average purchase level.
• The U.S. and EU suspended sanctions on Iran's petrochemical exports and on gold and precious metals.
• The U.S. suspended sanctions on Iran's automotive industry.
• Iran is permitted to receive $700 million monthly from its frozen accounts. By June 30, 2015, the deadline for the comprehensive nuclear deal, Iran will have received $11.9 billion.

4.2 ***When will sanctions be relieved?***

According to the U.S. fact sheet released on April 2, Iran would need to complete "key nuclear-related steps" before it is eligible to receive sanctions relief. Secretary of State John Kerry estimated that these steps would take "probably six months to a year," after which Iran would receive relief. In a June press conference, President Hassan Rouhani said, "When we reach an agreement it will take some time until it is implemented, and that time is going to be a few months."

Iran rejects the idea that sanctions relief is contingent on its behavior. In Foreign Minister Mohammed Javad Zarif's view, both sides must take "preparatory steps" to implement commitments—Iran's nuclear commitments and the West's sanctions commitments. Both sides would complete their commitments at the same time. Therefore, they "will be simultaneous," he said.

However, it is not clear whether Zarif's formulation is acceptable to Iranian Supreme Leader Ayatollah Ali Khamenei. In his speech addressing the April 2 accord, Khamenei stated: "Sanctions have to be completely lifted on the day of the final agreement. This has to happen. If lifting sanctions is supposed to depend on another new process, why did we negotiate with them in the first place?" (See Figure 9 for additional comments.)

*4.3 **Which sanctions will remain?***

As noted in the April 2 joint statement, a nuclear agreement will not result in the removal of all sanctions against Iran. In particular, the United States has imposed sanctions pertaining to terrorism support, human rights abuses, money laundering, and development of ballistic missiles. As Iranian leaders frequently note, negotiations are exclusively over the nuclear issue and do not extend to other areas of Iranian activity.

One U.S. sanction that will almost certainly remain in place is Iran's listing as a State Sponsor of Terrorism. As noted in Section 2.1, President Ronald Reagan designated Iran as a state sponsor of terror in 1984. This designation automatically triggered a series of sanctions, including denial of U.S. foreign aid or assistance to Iran, a ban on arms exports and sales, restrictions over export of dual-use items, and the requirement that the U.S. oppose multilateral lending to Iran. (See Appendix 1 for additional discussion of the State Sponsor of Terror list). There are only two conditions under which these sanctions can be terminated: (1) if a country's regime has changed, the President has the authority to immediately remove a country from the list; or (2) if the regime has not changed, the President must certify that the country has not supported terrorism in the past six months and has committed not to do so in the future. Considering Iran's active and public support of Hizballah and other designated terrorist organizations, including Hamas and Shia militias in Iraq, removal from the list is very unlikely.[4]

Not all sanctions law is so clearly delineated between "nuclear" and "terrorism" or other issues. In particular, some UN and EU sanctions pertain to ballistic missile development and trade in conventional arms, neither of which are related to the nuclear file. It is unclear whether a comprehensive nuclear agreement will result in the removal of those sanctions, too.

The clearest example of this entanglement is action targeting the Central Bank of Iran (CBI). The bank is subject to an array of sanctions from the United States and the European Union, and it has been largely cut off from the international financial system. Taking these actions, the U.S. and EU have emphasized the central bank's role in money laundering—helping other banks evade sanctions—an action that is not strictly "nuclear-related." "The Central Bank of Iran, which regulates Iranian banks, has assisted designated Iranian banks by transferring billions of dollars to these banks," the Treasury Department wrote

4 The United States publicly reaffirmed its judgment that Iran is a state sponsor of terror as recently as June 19, when the State Department released its annual terrorism report.

in 2011. “In making these transfers, the CBI attempted to evade sanctions.”

Yet, under a comprehensive nuclear agreement, many of these sanctions against other banks will be removed. Therefore, Iranians will argue, if the underlying sanctions are removed, there is no reason to maintain the sanctions against the CBI. While American negotiators will likely insist that some provisions remain in place—such as mandatory reporting requirements for foreign banks that deal with the CBI—it is unlikely that Iran will agree to any nuclear agreement that leaves the CBI disconnected from the worldwide financial system. However, American banks may still be prohibited from transacting with Iranian banks.

The makeup of UN Security Council sanctions presents another complication. UN sanctions are focused on nonproliferation, but diplomats lumped sanctions pertaining to nuclear development with sanctions on Iran’s development of ballistic missiles. Therefore, in order to maintain those authorities, the new UN Security Council resolution (enshrining a comprehensive deal and removing previous sanctions) would need to continue the ballistic missile sanctions. Alternatively, the West may be forced to rely more heavily on other UN Security Council Resolutions to target Iran’s missile production.

4.4 After sanctions are lifted, what relief can Iranians expect?

Iranians are unlikely to experience economic relief immediately following the removal of sanctions. Many international corporations, stung by billions of dollars of fines meted out by the U.S.

government, will not eagerly re-establish relationships with Iran.

In particular, international banks have long been warned of the reputational and financial risks of engaging with Iranian banks known for funneling money to terrorist organizations or nuclear development. In addition to warnings from the U.S., UN, and EU, other bodies responsible for the integrity of the international financial system have identified Iran as a danger. As recently as February, the Financial Action Task Force—an intergovernmental body comprising 34 nations—noted "Iran's failure to address the risk of terrorist financing and the serious threat this poses to the integrity of the international financial system." For Iran, rehabilitating the stature of its banks will not be immediate.

Aside from reputational challenges, Iranian banks require substantial overhauls, including new capital injection and restructuring, according to the governor of the Central Bank of Iran, Valiollah Seif. He predicted that even if negotiations end on June 30, economic relief would be delayed until at least March 2016.

Oil revenues may also not bounce back immediately. Iranian oil minister Bijan Zanganeh predicted in June that, within one month of the lifting of sanctions, Iran can increase its oil exports by 500,000 barrels per day. Within six or seven months, he said, Iran will increase a total of 1 million barrels per day. "We will return to market," Zanganeh said, adding, "it is our right and we have been limited by sanctions."

However, energy analysts have cast doubt on this ambitious plan, and it is not clear how OPEC plans to accommodate an increase in Iranian oil. In an April report, the International Energy Agency underscored this uncertainty: "Advances in talks on Tehran's nuclear program not only call into question past working assumptions on future Iranian output, but may already have encouraged other producers to hike supply and stake out market share ahead of Iran's potential return."

4.5 Can sanctions be "snapped back"?

Snapback refers to the re-imposition of sanctions against Iran if it violates terms of a comprehensive nuclear agreement. The P5+1 countries have apparently agreed on a mechanism to ensure semi-automatic snapback of United Nations sanctions upon an Iranian violation. According to the proposal, the UN Security Council resolution endorsing the comprehensive agreement would establish a commission of the P5+1, Iran and potentially the European Union.

If the IAEA requests access to a site for inspection, and Iran refuses, the impasse would be reviewed by the commission. The commission would be authorized to require Iran to comply with a challenge inspection request. If Iran refuses, UN sanctions could be re-applied automatically. This set-up, according to U.S. officials, would not allow Russia or China to exercise veto power. Still, it is unclear if Iran has signed on to the proposal.

Re-applying American sanctions, on the other hand, would not face many obstacles because the sanctions would not actually be terminated in the short run (as noted above, they would be waived). It is unclear how the snapback of EU sanctions fits into this framework.

The Iranians, for their part, have made it clear that they possess "snapback" power as well—they could unilaterally restart certain nuclear activities if they consider the international community to have broken its commitments.

Figure 9: **U.S. and Iranian Positions on Sanctions Relief**

<table>
<tr><td colspan="2">Joint EU/P5+1—Iran Statement: "The EU will terminate the implementation of all nuclear-related economic and financial sanctions and the U.S. will cease the application of all nuclear-related secondary economic and financial sanctions, simultaneously with the IAEA-verified implementation by Iran of its key nuclear commitments. A new UN Security Council Resolution will endorse the JCPOA, terminate all previous nuclear-related resolutions and incorporate certain restrictive measures for a mutually agreed period of time."</td></tr>
<tr><th>U.S. position:</th><th>Iran position:</th></tr>
<tr><td>Fact sheet: "U.S. and E.U. nuclear-related sanctions will be suspended after the IAEA has verified that Iran has taken all of its key nuclear-related steps. If at any time Iran fails to fulfill its commitments, these sanctions will snap back into place."</td><td>Summary: "After the implementation of the Comprehensive Plan of Joint Action, all of the UN Security Council resolutions will be revoked, and all of the multilateral economic and financial sanctions of the EU and the unilateral ones of the U.S. including financial, banking, insurance, investment, and all related services, including oil, gas, petrochemicals, and automobile industries will be immediately revoked. In addition, nuclear-related sanctions against real and legal individuals, entities, and public and private institutions, including the Central Bank, other financial and banking institutions, SWIFT, shipping and aviation industries of the Islamic Republic of Iran, oil tanker companies, will be immediately removed. Also, the P5+1 member countries are committed to restraining from imposing new nuclear-related sanctions."</td></tr>
</table>

(Continued)	
President Obama: "In return for Iran's actions, the international community has agreed to provide Iran with relief from certain sanctions -- our own sanctions, and international sanctions imposed by the United Nations Security Council. This relief will be phased as Iran takes steps to adhere to the deal." (Rose Garden statement, 4/2) **President Obama**: "The basic framework calls for Iran to take the steps that it needs to around Fordow and the centrifuges and so forth. At that point, then the UN sanctions are suspended." (New York Times interview, 4/5)	**Supreme Leader Khamenei**: "Sanctions have to be completely lifted on the day of the final agreement. This has to happen. If lifting sanctions is supposed to depend on another new process, why did we negotiate with them in the first place?" (Speech, 4/9) **President Rouhani**: "On the basis of this framework, all sanctions in financial, economic and banking sectors as well as all (UN Security Council) sanctions resolutions against Iran will be canceled on the very first day of the implementation of the deal, and new cooperation in both nuclear and other sectors will start with the world on the same day." (Speech, 4/4)
Secretary Kerry: "It's really a matter of anywhere from probably six months to a year or so that it will take to begin to comply with all of the nuclear steps that need to be taken in order to then begin into the phasing. Those steps have to happen first." (Press Conference, 4/2) **Treasury Secretary Lew**: "Relief would have to be carried out in phases, to match verified, agreed-upon steps on Iran's part. It would be unacceptable for U.S. to lift the sanctions on Iran on the day it agrees to a comprehensive deal, since continued pressure from sanctions is the best way to ensure that Iran actually lives up to its commitments… Iran will receive relief from UN, EU, and U.S. sanctions only after it verifiably completes major nuclear-related steps." (Speech, 4/29)	**Foreign Minister Zarif**: "We're not talking about phased removal of sanctions. Unfortunately the United States started talking about and using the phrase 'phased sanctions' and if you go through the joint statement you will not even see the word 'suspension' and you will not see the word 'phase'. It's clear that all sanctions, all economic and financial sanctions will be terminated." (Interview, 4/17) **Foreign Minister Zarif**: "If we have an agreement on the 30th of June, within a few days after that we will have a resolution in the Security Council. … The resolution will endorse the agreement; will terminate all previous resolutions, including all sanctions; will set in place the termination of EU sanctions; and the cessation of application of U.S. sanctions." (Interview, 4/29)

Appendix 1:
U.S. sanctions against Iran

Table of Contents

Description	Year
Iran-specific legislation	
Iran-Iraq Arms Non-Proliferation Act	1992
Iran and Libya Sanctions Act	1996
Iran Non-Proliferation Act	2000
Iran Freedom Support Act	2006
Comprehensive Iran Sanctions, Accountability and Divestment Act	2010
Section 1245 of NDAA 2012	2011
Iran Threat Reduction and Syrian Human Rights Act	2012
Iran Freedom and Counter-Proliferation Act	2013
Iran-specific executive orders	
EO 12170 (Blocks Iranian property)	1979
EO 12205 (Bans some transactions with Iran)	1980
EO 12211 (Bans some transactions with Iran)	1980
EO 12613 (Bans imports from Iran)	1987
EO 12957 (Bans petroleum investment)	1995
EO 12959 (Bans trade with Iran)	1995
EO 13059 (Export restrictions to Iran)	1997
EO 13553 (Freeze assets of human rights violators)	2010
EO 13574 (Implement sanctions under ISA)	2011
EO 13590 (Sanction involvement in petrochemical industries)	2011
EO 13599 (Block property of Iranian institutions in U.S.)	2012
EO 13606 (Freeze assets of human rights abusers)	2012
EO 13608 (Targeting sanctions evaders)	2012
EO 13622 (Expanded energy and financial sanctions)	2012
EO 13628 (Expands legislative sanctions)	2012
EO 13645 (Automotive and rial sanctions)	2013
Additional authorities	
"State sponsor of terrorism" designation under Export Admin. Act of 1979	1984
EO 12938 (Sanctions WMD proliferation)	1994
EO 13224 (Sanctions supporters of international terrorism)	2001
EO 13382 (Sanctions WMD proliferation)	2005
EO 13438 (Sanctions those posing threat to Iraqi stability)	2007
EO 13572 (Sanctions those responsible for human rights abuses in Syria)	2011
Section 311 Money Laundering designation under USA PATRIOT Act 2001	2011

Iran-specific sanctions legislation

Iran-Iraq Arms Non-Proliferation Act of 1992, Title XVI of National Defense Authorization Act FY1993

October 1992, President George H. W. Bush

The act seeks to block the transfer of goods or technology to Iran or Iraq that could contribute to either state's acquisition of "chemical, biological, nuclear, or destabilizing numbers and types of advanced conventional weapons." The act imposes procurement and export sanctions on individuals who violate the act: the U.S. government cannot enter into a procurement contract for 2 years with the individual and the U.S. government for 2 years cannot issue an export license to the individual. If a country violates the act, the following sanctions are imposed for one year: suspension of U.S. assistance; opposition to loans from international financial institutions; suspension of co-development or co-production agreements; suspension of military and dual use exchanges; ban on arms sales.

Iran and Libya Sanctions Act of 1996

August 1996, President Bill Clinton

The Iran and Libya Sanctions Act targets investment in energy infrastructure. In 2006, the sanctions against Libya were removed, and the act was renamed the Iran Sanctions Act (ISA). ISA requires the President to sanction companies that invest more than $20 million in one year in Iran's petroleum sector. Companies that violate the act are subject to a menu of sanctions; initially, ISA required the President to impose two of six possible sanctions. After amendments, the ISA sanctions menu contains 12 options, described in Figure 10. By restricting investment in Iran's most important sector, the law seeks to "deny Iran the financial means to sustain its nuclear, chemical, biological, and missile weapons programs." It also cites Iran's "support of acts of international terrorism." ISA will expire or "sunset" in December 2016 if Congress does not renew the legislation.

Iran Nonproliferation Act of 2000

(North Korea and Syria subsequently added)

March 2000, President Bill Clinton

The act sanctions entities that provide goods, services, or technology to Iran related to nuclear, biological, or chemical weapons, and ballistic or cruise missile systems. Sanctions include: prohibiting imports from, or U.S. procurement contracts with, the sanctioned entity; prohibiting export of weapons; and denial of licenses for dual-use goods. Iranian entities sanctioned under the act include the Quds Force and Iran Electronics Industries. In 2005 and 2006, Congress expanded the act to include Syria and North Korea, respectively.

Iran Freedom Support Act

September 2006, President George W. Bush

The act expanded the Iran Sanctions Act to sanction individuals or entities that aided Iran's development of "chemical, biological, or nuclear weapons" or the acquisition of "destabilizing numbers and types of advanced conventional weapons." The act also codified U.S. sanctions from Executive Orders 12957, 12959, and 13059, which ban U.S. trade and investment in Iran.

Figure 10: **ISA Sanctions Menu**

The Iran and Libya Sanctions Act of 1996 (renamed the Iran Sanctions Act, ISA, in 2006) provides a menu of six sanctions against individuals or entities that have violated U.S. law. Additional legislation expanded the menu to 12 options. While the menu pertains specifically to violations of the ISA, the U.S. government has used the menu as an "off-the-shelf" listing of penalties. For example, some executive orders copy elements of the ISA list verbatim.

1.	Denial by Export-Import bank of "any guarantee, insurance, extension of credit, or participation in the extension of credit";
2.	Denial of licenses for export of military technology;
3.	Denial of loans of more than $10 million by U.S. financial institution;
4.	If entity is a financial institution, denial of designation as "primary dealer" in U.S. bonds or denial as repository for U.S. funds;
5.	Denial of procurement contracts with U.S. government;
6.	Prohibition on transactions in foreign exchange;
7.	Prohibition on transfer of credit or payments between financial institutions subject to U.S. jurisdiction;
8.	Prohibition on acquiring, holding or transacting in U.S. property;
9.	Restriction of imports from sanctioned entity;
10.	Prohibition on investing in or purchasing "significant amounts of equity or debt instruments" from sanctioned entity;
11.	Denial of entry to U.S. of corporate officers of sanctioned entity;
12.	Imposition of any ISA sanctions on principal executive officers of sanctioned entity.

Source: Iran and Libya Sanctions Act of 1996, as amended; Kenneth Katzman, "Iran Sanctions" (Congressional Research Service)

Comprehensive Iran Sanctions, Accountability and Divestment Act

July 2010, President Barack Obama

The Comprehensive Iran Sanctions, Accountability and Divestment Act (CISADA) significantly expands the scope of U.S. sanctions against Iran's energy and financial sectors. It amended the ISA to sanction companies that sell Iran over $1 million of gasoline or sell Iran equipment or technology to assist Iran in importing gasoline. The act also sanctions the provision of underwriting, insurance or reinsurance related to such projects, or providing related shipping services.

In addition, CISADA imposes sanctions against foreign financial institutions that facilitated transactions with individuals that supported Iran's development of weapons of mass destruction or support of terrorism. CISADA gives the Treasury Department the power to block a foreign financial institution from accessing the U.S. financial system through correspondent accounts if it also processes illicit transactions. CISADA also codifies the trade ban with Iran and expands the sanctions available to the President against firms that violate the law's provisions (See Figure 10).

Section 1245 of National Defense Authorization Act FY 2012

December 2011, President Barack Obama

Section 1245 imposes sanctions against foreign banks that transact with the Central Bank of Iran, unless the President certifies that the parent country of each bank "significantly reduced" purchases of Iranian oil. It also codified the money laundering designation under Section 311 of the USA PATRIOT Act.

Iran Threat Reduction and Syria Human Rights Act of 2012

August 2012, President Barack Obama

The act applies ISA sanctions against firms that provide Iran with goods, services or technology that could "contribute to the maintenance or enhancement" of its petroleum sector. In addition, the act sanctions entities that own a vessel used to transport Iranian crude oil or entities that participate in a joint venture with Iran to develop petroleum resources outside of Iran.

The act also mandates that revenue from Iran's oil sales be "locked up" in a specialized escrow system, as described in Section 3.1. In addition, the act requires reporting on the Central Bank of Iran's relationship with providers of financial messaging services, which prompted the European Union's action to sever sanctioned Iranian banks from the SWIFT system (see Section 3.2 and Figure 3).

Iran Freedom and Counter-Proliferation Act of 2012, Subtitle D of NDAA FY 2013

January 2013, President Barack Obama

The Iran Freedom and Counter-Proliferation Act imposes ISA sanctions on entities that provide goods or services to Iranian energy, shipping or shipbuilding sectors, or provide underwriting, insurance, or reinsurance to Iranian companies connected with the shipping or energy sectors. It also sanctions entities that provided precious metals to Iran.

Iran-specific Executive Orders

Executive Order 12170,
"Blocking Iranian Government Property"

November 1979, President Jimmy Carter

Signed 10 days after the kidnapping of American diplomats in Tehran, EO 12170 blocked all Iranian government property—including of the Central Bank of Iran—in U.S. jurisdiction, amounting to $12 billion.

Executive Order 12205,
"Prohibiting Certain Transactions with Iran"

April 1980, President Jimmy Carter

EO 12205 prohibited the sale and transportation of all goods to Iran with the exception of humanitarian or medical transactions. The order also prohibited the provision of credit or loans to Iran. In January 1981 under EO 12282, Carter revoked these prohibitions as part of the Algiers Accords, pertaining to the release of American hostages.

Executive Order 12211,
"Prohibiting Certain Transactions with Iran"

April 1980, President Jimmy Carter

EO 12211 prohibited the import of Iranian goods or services to the United States and prohibited Americans from financially assisting individual travel to Iran. In January 1981 under EO 12282, Carter revoked these prohibitions as part of the Algiers Accords, pertaining to the release of American hostages.

Executive Order 12613,
"Prohibiting Imports from Iran"

October 1987, President Ronald Reagan

Alleging that Iran is "actively supporting terrorism" and citing its "aggressive and unlawful military action against" vessels in the Persian Gulf, EO 12613 re-applies the import ban on Iranian goods, including oil. However, the ban does not preclude American firms from trading Iranian oil with third countries. The order was signed in the midst of the Iran-Iraq War and Operation Earnest Will, during which the United States escorted oil tankers through the Persian Gulf.

Executive Order 12957,
"Prohibiting Certain Transactions With Respect to the Development of Iranian Petroleum Resources"

March 1995, President Bill Clinton

EO 12957 prohibits U.S. investment in Iran's petroleum sector. It was signed less than two weeks after Conoco Inc. reached a long-term agreement with Iran to develop offshore oil fields (Conoco subsequently pulled out of the deal).

Executive Order 12959,
"Prohibiting Certain Transactions With Respect to Iran"

May 1995, President Bill Clinton

Expanding on EO 12957 and EO 12613, EO 12959 prohibits the import of all Iranian goods to the United States, the export of American goods to Iran, and American investment in Iran. This full trade ban was codified by CISADA in 2010.

Executive Order 13059,
"Prohibiting Certain Transactions With Respect to Iran"

August 1997, President Bill Clinton

EO 13059 expands the export ban on Iran by prohibiting American companies from exporting goods, technology or services "to a person in a third country undertaken with knowledge or reason to know that" the goods are ultimately intended for Iran. This order consolidates the previous Clinton orders—12957 and 12959—and Reagan's EO 12613.

Executive Order 13553,
"Blocking Property of Certain Persons With Respect to Serious Human Rights Abuses by the Government of Iran and Taking Certain Other Actions"

September 2010, President Barack Obama

EO 13553 blocks assets in the United States of Iranians considered to have participated in "the commission of serious human rights abuses against persons in Iran" after June 12, 2009, the beginning of the "Green Revolution" in Iran. To date, the United States has sanctioned 19 individuals and entities under EO 13553, including the IRGC, Basij militia, Ministry of Intelligence and Security and national police force, and the leaders of each organization.

Executive Order 13574,
"Authorizing the Implementation of Certain Sanctions Set Forth in the Iran Sanctions Act of 1996, as Amended"

May 2011, President Barack Obama

EO 13574 clarifies the authority of the Treasury Department to enforce sanctions.

Executive Order 13590,
"Authorizing the Imposition of Certain Sanctions With Respect to the Provision of Goods, Services, Technology, or Support for Iran's Energy and Petrochemical Sectors"

November 2011, President Barack Obama

EO 13590 outlines sanctions for individuals who provided goods and services that "could directly and significantly contribute to the maintenance or enhancement of Iran's ability to develop petroleum resources" above a certain monetary threshold. The order imposes ISA sanctions against violators. EO 13590 was codified by the Iran Threat Reduction and Syria Human Rights Act of 2012.

Executive Order 13599,
"Blocking Property of the Government of Iran and Iranian Financial Institutions"

February 2012, President Barack Obama

Citing "deficiencies in Iran's anti-money laundering regime" and the "deceptive practices" of Iranian banks, EO 13599 blocks all property of the Iranian government, including property of the Central Bank of Iran. In addition, the order blocks all property in the U.S. held by any Iranian financial institution.

Executive Order 13606,
"Blocking the Property and Suspending Entry Into the United States of Certain Persons With Respect to Grave Human Rights Abuses by the Governments of Iran and Syria via Information Technology"

April 2012, President Barack Obama

EO 13606 blocks property of individuals or entities that facilitated human rights abuses in Iran using information technology systems. To date, the U.S. has designated four Iranian entities, including the IRGC, Ministry of Intelligence and Security and the Law Enforcement Forces of Iran.

Executive Order 13608,
"Prohibiting Certain Transactions With and Suspending Entry Into the United States of Foreign Sanctions Evaders With Respect to Iran and Syria"

May 2012, President Barack Obama

EO 13608 targets individuals who violated, or helped others violate, U.S. sanctions against Iran and Syria. The order permits the

U.S. government to prohibit designated individuals from importing or exporting "any goods, services, or technology provided by or to United States persons." In accordance with this executive order, the Treasury Department maintains a "Foreign Sanctions Evaders" list; the Iran list contains 13 individuals or entities.

Executive Order 13622, "Authorizing Additional Sanctions With Respect to Iran"

July 2012, President Barack Obama

EO 13622 sanctions foreign financial institutions that "knowingly conducted or facilitated any significant financial transaction" related to the purchase of petroleum or petrochemical products from Iran. The order specifically sanctions foreign financial institutions that engage with the National Iranian Oil Company or Naftiran Intertrade Company. The order imposes ISA sanctions against violators.

Executive Order 13628, "Authorizing the Implementation of Certain Sanctions Set Forth in the Iran Threat Reduction and Syria Human Rights Act of 2012 and Additional Sanctions With Respect to Iran"

October 2012, President Barack Obama

EO 13628 expands financial sanctions available under the ISA, and strengthens the Iran Threat Reduction and Syria Human Rights Act. Under the executive order, the United States has designated 20 individuals and entities accused of facilitating "serious human rights abuses against the people of Iran," including the Iranian Cyber Police, the Iran Electronics Industries and Islamic Republic of Iran Broadcasting.

Executive Order 13645,
"Authorizing the Implementation of Certain Sanctions Set Forth in the Iran Freedom and Counter-Proliferation Act of 2012 and Additional Sanctions With Respect To Iran"

June 2013, President Barack Obama

EO 13645 targets both the Iranian automotive and financial sectors. It imposes ISA sanctions on firms that provide services to Iran's automotive industry. It also prohibits banks that do business in the U.S. from transacting with this industry. Finally, the order blocks the U.S. assets of banks that do business in the Iranian rial.

Additional authorities

Export Administration Act of 1979, Section 6(j), "Countries Supporting International Terrorism"

September 1979, President Jimmy Carter

President Ronald Reagan named Iran to the "state sponsor of terrorism" list in January 1984, following the bombing of a Marine barracks in Lebanon. Designation as a "state sponsor of terrorism" triggers a series of sanctions, including: denial of U.S. foreign assistance to Iran; ban on arms sales; restrictions on sale of dual use items; requirement that the U.S. opposes multilateral lending.

Executive Order 12938, “Proliferation of Weapons of Mass Destruction”

November 1994, President Bill Clinton

EO 12938 declares the proliferation of weapons of mass destruction (i.e., nuclear, biological and chemical weapons) and delivery systems to be a national emergency, and the order imposes export controls on sensitive technologies. In addition, it imposes sanctions on any individual who “knowingly and materially contributed” to a foreign country’s efforts to acquire chemical or biological weapons. The order bans the U.S. government from entering into contracts with sanctioned individuals, and bans the import of products from sanctioned individuals. These sanctions were incorporated into the Iran Nonproliferation Act of 2000.

Executive Order 13224, “Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism”

September 2001, President George W. Bush

Signed 12 days after the 9/11 attacks, EO 13224 blocks the property of any foreign person determined “to have committed, or to pose a significant risk of committing, acts of terrorism that threaten the security of U.S. nationals or the national security.” It also targets individuals who “provide financial, material, or technological support” for acts of terrorism. Iranian entities sanctioned under EO 13224 include the Quds Force and senior commanders, Bank Saderat, and air and cargo companies connected with the Quds Force and Hizballah.

Executive Order 13382,
"Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters"

June 2005, President George W. Bush

EO 13382 blocks property of individuals or entities connected with the proliferation of weapons of mass destruction or delivery systems, or those that have provided financial support to these efforts. Sanctioned groups include the Atomic Energy Organization of Iran, Defense Industries Organization, the IRGC, Iranian banks including Bank Melli and Bank Sepah, and the Islamic Republic of Iran Shipping Lines.

Executive Order 13438,
"Blocking Property of Certain Persons Who Threaten Stabilization Efforts in Iraq"

July 2007, President George W. Bush

In response to deteriorating security conditions in Iraq, EO 13438 blocks the property of individuals "threatening the peace or stability of Iraq" or "undermining efforts to promote economic reconstruction and political reform." To date, 15 individuals and entities have been designated under this executive order, including three commanders of the IRGC Quds Force.

Executive Order 13572,
"Blocking Property of Certain Persons With Respect to Human Rights Abuses in Syria"

April 2011, President Barack Obama

EO 13572 blocks the property of those responsible for or complicit in the "commission of human rights abuses in Syria."

Sanctioned entities include the Quds Force and the commander, Qassem Suleimani.

USA PATRIOT Act, Section 311, "Special Measures for Jurisdictions, Financial Institutions, or International Transactions of Primary Money Laundering Concern"

October 2001, President George W. Bush

In November 2011, the United States identified the entire Iranian financial sector—including the Central Bank of Iran and all private Iranian banks—as a jurisdiction of "primary money laundering concern." The Treasury Department cited "Iran's support for terrorism; pursuit of weapons of mass destruction (WMD); reliance on state-owned or controlled agencies to facilitate WMD proliferation; and the illicit and deceptive financial activities that Iranian financial institutions—including the Central Bank of Iran—and other state-controlled entities engage in to facilitate Iran's illicit conduct and evade sanctions." The designation imposed new "special measures" for U.S. financial institutions that conduct business with Iran, including increased reporting requirements and other banking restrictions.

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