

EXECUTIVE ORDER WITH RESPECT TO THE ACTIONS  
AND POLICIES OF THE GOVERNMENT OF IRAN

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MESSAGE

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

NOTIFICATION OF AN EXECUTIVE ORDER THAT TAKES ADDI-  
TIONAL STEPS WITH RESPECT TO THE NATIONAL EMERGENCY  
DECLARED IN EXECUTIVE ORDER 12957 OF MARCH 15, 1995



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Committee on Foreign Affairs and ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE



*To the Congress of the United States:*

Pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), I hereby report that I have issued an Executive Order (the “order”) that takes additional steps with respect to the national emergency declared in Executive Order 12957 of March 15, 1995.

In Executive Order 12957, the President found that the actions and policies of the Government of Iran threaten the national security, foreign policy, and economy of the United States. To deal with that threat, the President in Executive Order 12957 declared a national emergency and imposed prohibitions on certain transactions with respect to the development of Iranian petroleum resources. To further respond to that threat, Executive Order 12959 of May 6, 1995, imposed comprehensive trade and financial sanctions on Iran. Executive Order 13059 of August 19, 1997, consolidated and clarified the previous orders.

In the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195) (22 U.S.C. 8501 *et seq.*) (CISADA), which I signed into law on July 1, 2010, the Congress found that the illicit nuclear activities of the Government of Iran, along with its development of unconventional weapons and ballistic missiles and its support for international terrorism, threaten the security of the United States. The Congress also found in CISADA that economic sanctions imposed pursuant to the provisions of CISADA, the Iran Sanctions Act of 1996 (Public Law 104–172) (50 U.S.C. 1701 note) (ISA), and IEEPA, and other authorities available to the United States to prevent Iran from developing nuclear weapons, are necessary to protect the essential security interests of the United States. To take additional steps with respect to the national emergency declared in Executive Order 12957 and to implement section 105(a) of CISADA (22 U.S.C. 8514(a)), I issued Executive Order 13553 on September 28, 2010, to impose sanctions on officials of the Government of Iran and other persons acting on behalf of the Government of Iran determined to be responsible for or complicit in certain serious human rights abuses. To take additional steps with respect to the threat posed by Iran and to provide implementing authority for a number of the sanctions set forth in ISA, as amended by, *inter alia*, CISADA, I issued Executive Order 13574 on May 23, 2011, to authorize the Secretary of the Treasury to implement certain sanctions imposed pursuant to ISA by the Secretary of State.

This order expands upon actions taken pursuant to ISA, as amended by, *inter alia*, CISADA. The ISA requires that, absent a waiver, the President impose at least three of nine possible forms of sanctions on persons determined to have made certain investments in Iran’s energy sector. The CISADA expanded ISA to, *inter alia*, require the same treatment of persons determined to have

provided refined petroleum to Iran above specified monetary thresholds or have provided certain goods, services, technology, information, or support to Iran related to the importation or development of refined petroleum. This order authorizes the Secretary of State to impose similar sanctions on persons determined to have provided certain goods, services, technology, or support that contributes to either Iran's development of petroleum resources or to Iran's production of petrochemicals, two sectors that continue to fund Iran's illicit nuclear activities and that could serve as conduits for Iran to obtain proliferation sensitive technology. Because CISADA has impeded Iran's ability to develop its domestic refining capacity, Iran has tried to compensate by using its petrochemical facilities to refine petroleum. These new authorities will allow the United States to target directly Iran's attempts to subvert U.S. sanctions.

This order authorizes the Secretary of State, in Consultation with the Secretary of the Treasury, the Secretary of Commerce, and the United States Trade Representative, and with the President of the Export-Import Bank, the Chairman of the Board of Governors of the Federal Reserve System, and other agencies and officials as appropriate, to impose sanctions on a person upon determining that the person:

- knowingly, on or after the effective date of the order, sells, leases, or provides to Iran goods, services, technology, or support that has a fair market value of \$1,000,000 or more or that, during a 12-month period, has an aggregate fair market value of \$5,000,000 or more, and that could directly and significantly contribute to the maintenance or enhancement of Iran's ability to develop petroleum resources located in Iran;
- knowingly, on or after the effective date of this order, sells, leases, or provides to Iran goods, services, technology, or support that has a fair market value of \$250,000 or more or that, during a 12-month period, has an aggregate fair market value of \$1,000,000 or more, and that could directly and significantly contribute to the maintenance or expansion of Iran's domestic production of petrochemical products;
- is a successor entity to a person that engaged in a provision of goods, services, technology, or support for which sanctions may be imposed pursuant to this new order;
- owns or controls a person that engaged in provision of goods, services, technology, or support for which sanctions may be imposed pursuant to this new order and had actual knowledge or should have known that the person engaged in the activities; or
- is owned or controlled by, or under common ownership or control with, a person that engaged in the provision of goods, services, technology, or support for which sanctions may be imposed pursuant to this new order, and knowingly participated in the provision of such goods, services, technology, or support.

The following sanctions may be selected for imposition on a person that the Secretary of State determines to meet any of the above criteria:

- the Board of Directors of the Export-Import Bank shall deny approval of the issuance of any guarantee, insurance, ex-

tension of credit, or participation in an extension of credit in connection with the export of any goods or services to the sanctioned person;

- agencies shall not issue any specific license or grant any other specific permission or authority under any statute that requires the prior review and approval of the United States Government as a condition for the export or reexport of goods or technology to the sanctioned person;

- with respect to a sanctioned person that is a financial institution, the Chairman of the Board of Governors of the Federal Reserve System and the President of the Federal Reserve Bank of New York shall take such actions as they deem appropriate, including denying designation, or terminating the continuation of any prior designation of, the sanctioned person as a primary dealer in United States Government debt instruments; or agencies shall prevent the sanctioned person from serving as an agent of the United States Government or serving as a repository for United States Government funds;

- agencies shall not procure, or enter into a contract for the procurement of, any goods or services from the sanctioned person;

- the Secretary of the Treasury shall prohibit any United States financial institution from making loans or providing credits to the sanctioned person totaling more than \$10,000,000 in any 12-month period unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities;

- the Secretary of the Treasury shall prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which the sanctioned person has any interest;

- the Secretary of the Treasury shall prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the sanctioned person;

- the Secretary of the Treasury shall block all property and interests in property that are in the United States, that come within the United States, or that are or come within the possession or control of any United States person, including any foreign branch, of the sanctioned person, and provide that such property and interests in property may not be transferred, paid, exported, withdrawn, or otherwise dealt in; or

- the Secretary of the Treasury shall restrict or prohibit imports of goods, technology, or services, directly or indirectly, into the United States from the sanctioned person.

I have delegated to the Secretary of the Treasury the authority, in consultation with the Secretary of State, to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA as may be necessary to carry out the purposes of section 3 of the order. All agencies of the United States Government are directed to take all appropriate

measures within their authority to carry out the provisions of the order.

I am enclosing a copy of the Executive Order I have issued.

BARACK OBAMA.

THE WHITE HOUSE, *November 20, 2011.*

## EXECUTIVE ORDER

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### AUTHORIZING THE IMPOSITION OF CERTAIN SANCTIONS WITH RESPECT TO THE PROVISION OF GOODS, SERVICES, TECHNOLOGY, OR SUPPORT FOR IRAN'S ENERGY AND PETROCHEMICAL SECTORS

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3, United States Code, and in order to take additional steps with respect to the national emergency declared in Executive Order 12957 of March 15, 1995,

I, BARACK OBAMA, President of the United States of America, hereby order:

*Section 1.* The Secretary of State, in consultation with the Secretary of the Treasury, the Secretary of Commerce, and the United States Trade Representative, and with the President of the Export-Import Bank, the Chairman of the Board of Governors of the Federal Reserve System, and other agencies and officials as appropriate, is hereby authorized to impose on a person any of the sanctions described in section 2 or 3 of this order upon determining that the person:

(a) knowingly, on or after the effective date of this order, sells, leases, or provides to Iran goods, services, technology, or support that has a fair market value of \$1,000,000 or more or that, during a 12-month period, has an aggregate fair market value of \$5,000,000 or more, and that could directly and significantly contribute to the maintenance or enhancement of Iran's ability to develop petroleum resources located in Iran;

(b) knowingly, on or after the effective date of this order, sells, leases, or provides to Iran goods, services, technology, or support that has a fair market value of \$250,000 or more or that, during a 12-month period, has an aggregate fair market value of \$1,000,000 or more, and that could directly and significantly contribute to the maintenance or expansion of Iran's domestic production of petrochemical products;

(c) is a successor entity to a person referred to in subsection (a) or (b) of this section;

(d) owns or controls a person referred to in subsection (a) or (b) of this section, and had actual knowledge or should have known that the person engaged in the activities referred to in that subsection; or

(e) is owned or controlled by, or under common ownership or control with, a person referred to in subsection (a) or (b) of this section, and knowingly participated in the activities referred to in that subsection.

*Sec. 2.* When the Secretary of State, in accordance with the terms of section 1 of this order, has determined that a person meets any of the criteria described in section 1 and has selected any of the sanctions set forth below to impose on that person, the heads of relevant agencies, in consultation with the Secretary of State, shall take the following actions where necessary to implement the sanctions imposed by the Secretary of State:

(a) the Board of Directors of the Export-Import Bank shall deny approval of the issuance of any guarantee, insurance, extension of credit, or participation in an extension of credit in connection with the export of any goods or services to the sanctioned person;

(b) agencies shall not issue any specific license or grant any other specific permission or authority under any statute that requires the prior review and approval of the United States Government as a condition for the export or reexport of goods or technology to the sanctioned person;

(c) with respect to a sanctioned person that is a financial institution:

(i) the Chairman of the Board of Governors of the Federal Reserve System and the President of the Federal Reserve Bank of New York shall take such actions as they deem appropriate, including denying designation, or terminating the continuation of any prior designation of, the sanctioned person as a primary dealer in United States Government debt instruments; or

(ii) agencies shall prevent the sanctioned person from serving as an agent of the United States Government or serving as a repository for United States Government funds; or

(d) agencies shall not procure, or enter into a contract for the procurement of, any goods or services from the sanctioned person.

(e) The prohibitions in subsections (a)–(d) of this section apply except to the extent provided by statutes, or in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the date of this order.

*Sec. 3.* (a) When the Secretary of State, in accordance with the terms of section 1 of this order, has determined that a person has engaged in the activities described in section 1 and has selected any of the sanctions set forth below to impose on that person, the Secretary of the Treasury, in consultation with the Secretary of State, shall take the following actions where necessary to implement the sanctions imposed by the Secretary of State:

(i) prohibit any United States financial institution from making loans or providing credits to the sanctioned person totaling more than \$10,000,000 in any 12-month period unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities;

(ii) prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which the sanctioned person has any interest;

(iii) prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the sanctioned person;



(iv) block all property and interests in property that are in the United States, that come within the United States, or that are or come within the possession or control of any United States person, including any foreign branch, of the sanctioned person, and provide that such property and interests in property may not be transferred, paid, exported, withdrawn, or otherwise dealt in; or

(v) restrict or prohibit imports of goods, technology, or services, directly or indirectly, into the United States from the sanctioned person.

(b) I hereby determine that, to the extent section 203(b)(2) of IEEPA (50 U.S.C. 1702(b)(2)) may apply, the making of donations of the type of articles specified in such section by, to, or for the benefit of any sanctioned person whose property and interests in property are blocked pursuant to subsection (a)(iv) of this section would seriously impair my ability to deal with the national emergency declared in Executive Order 12957, and I hereby prohibit such donations as provided by subsection (a)(iv) of this section.

(c) The prohibitions in subsection (a)(iv) of this section include, but are not limited to:

(i) the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any sanctioned person whose property and interests in property are blocked pursuant to this order; and

(ii) the receipt of any contribution or provision of funds, goods, or services from any such sanctioned person.

(d) The prohibitions in subsection (a) of this section apply except to the extent provided by statutes, or in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date of this order.

*Sec. 4.* (a) Any transaction by a United States person or within the United States that evades or avoids, has the purpose of evading or avoiding, causes a violation of, or attempts to violate any of the prohibitions set forth in this order is prohibited.

(b) Any conspiracy formed to violate any of the prohibitions set forth in this order is prohibited.

*Sec. 5.* For the purposes of this order:

(a) the term “person” means an individual or entity;

(b) the term “entity” means a partnership, association, trust, joint venture, corporation, group, subgroup, or other organization;

(c) the term “United States person” means any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States;

(d) the term “financial institution” includes (i) a depository institution (as defined in section 3(c)(1) of the Federal Deposit Insurance Act) (12 U.S.C. 1813(c)(1)), including a branch or agency of a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978) (12 U.S.C. 3101(7)); (ii) a credit union; (iii) a securities firm, including a broker or dealer; (iv) an insurance company, including an agency or underwriter; and (v) any other company that provides financial services;

(e) the term “United States financial institution” means a financial institution (including its foreign branches) organized under the laws of the United States or any jurisdiction within the United States or located in the United States;

(f) the term “sanctioned person” means a person on whom the Secretary of State, in accordance with the terms of section 1 of this order, has determined to impose sanctions pursuant to section 1;

(g) the term “to develop” petroleum resources means to explore for, or to extract, refine, or transport by pipeline, petroleum resources;

(h) the term “Iran” means the Government of Iran and the territory of Iran and any other territory or marine area, including the exclusive economic zone and continental shelf, over which the Government of Iran claims sovereignty, sovereign rights, or jurisdiction, provided that the Government of Iran exercises partial or total de facto control over the area or derives a benefit from economic activity in the area pursuant to international arrangements;

(i) the term “Government of Iran” includes the Government of Iran, any political subdivision, agency, or instrumentality thereof, and any person owned or controlled by, or acting for or on behalf of, the Government of Iran;

(j) the term “knowingly,” with respect to a conduct, a circumstance, or a result, means that the person has actual knowledge, or should have known, of the conduct, the circumstance, or the result;

(k) the term “petroleum resources” includes petroleum, oil, natural gas, liquefied natural gas, and refined petroleum products;

(l) the term “refined petroleum products” means diesel, gasoline, jet fuel (including naphtha-type and kerosene-type jet fuel), and aviation gasoline; and

(m) the term “petrochemical products” includes any aromatic, olefin, and synthesis gas, and any of their derivatives, including ethylene, propylene, butadiene, benzene, toluene, xylene, ammonia, methanol, and urea.

*Sec. 6.* For those persons whose property and interests in property are blocked pursuant to this order who might have a constitutional presence in the United States, I find that because of the ability to transfer funds or other assets instantaneously, prior notice to such persons of measures to be taken pursuant to section 3(a)(iv) of this order would render those measures ineffectual. I therefore determine that for these measures to be effective in addressing the national emergency declared in Executive Order 12957, there need be no prior notice of an action taken pursuant to section 3(a)(iv) of this order.

*Sec. 7.* The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA as may be necessary to carry out the purposes of section 3 of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government consistent with applicable law. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

*Sec. 8.* This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

*Sec. 9.* The measures taken pursuant to this order are in response to actions of the Government of Iran occurring after the conclusion of the 1981 Algiers Accords, and are intended solely as a response to those later actions.

*Sec. 10.* This order is effective at 12:01 a.m. eastern standard time on November 21, 2011.

BARACK OBAMA.

THE WHITE HOUSE, *November 20, 2011.*