the performance of an executory contract is expressly made contingent upon the prior issuance of the one-year specific license described in paragraph (a)(1) of this section.

(c) **Instructions for obtaining one-year specific licenses.** In order to obtain the one-year specific license described in paragraph (a)(1) of this section, the exporter must provide to the Office of Foreign Assets Control:

* * * * *

(d) **(5) Nothing in this section authorizes any transaction or dealing with a person whose property and interests in property are blocked under, or who is designated or otherwise subject to any sanctions under, the terrorism, proliferation of weapons of mass destruction, or narcotics trafficking programs administered by OFAC, 31 CFR parts 536, 544, 594, 595, 597, and 598, or with any foreign organization, group, or person subject to any restriction for its involvement in weapons of mass destruction or missile proliferation, or involving property blocked pursuant to this chapter or any other activity prohibited by this chapter not otherwise authorized in or pursuant to this part.

(e) **(1) Agricultural commodities.** For the purposes of this part, agricultural commodities are:

* * * * *

(2) **Medical.** For the purposes of this part, the term medicine has the same meaning given the term “drug” in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) but does not include any item listed on the Commerce Control List in the Export Administration Regulations, 15 CFR part 774, supplement no. 1 (excluding items classified as EAR 99).

(3) **Medical device.** For the purposes of this part, the term medical device has the meaning given the term “device” in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) but does not include any item listed on the Commerce Control List in the Export Administration Regulations, 15 CFR part 774, supplement no. 1 (excluding items classified as EAR 99).

(f) **Excluded items.** For the purposes of this part, agricultural commodities do not include furniture made from wood; clothing manufactured from plant or animal materials; agricultural equipment (whether hand tools or motorized equipment); pesticides, insecticides, or herbicides; or cosmetics (unless derived entirely from plant materials).

10. Amend § 560.532 by revising the section heading, the introductory text of paragraph (a), and the first sentence of paragraph (b) to read as follows:

§ 560.532 Payment for and financing of commercial sales of certain agricultural commodities, medicine, and medical devices.

(a) **General license for payment terms.** The following payment terms for sales, pursuant to § 560.530(a)(1), of the excluded food items specified in § 560.530(a)(2)(iii), agricultural commodities that do not fall within the definition of food set forth in § 560.530(a)(2)(ii), food (as defined in § 560.530(a)(2)(ii)) intended for military or law enforcement purchasers or importers, medicine, or medical devices to the Government of Iran, to any individual or entity in Iran, or to persons in third countries purchasing specifically for resale to any of the foregoing are authorized:

* * * * *

(b) **Specific licenses for alternate payment terms.** Specific licenses may be issued on a case-by-case basis for payment terms and trade financing not authorized by the general license in paragraph (a) of this section for sales pursuant to § 560.530(a)(1). * * * * *

11. Amend § 560.533 by revising the section heading and paragraph (a) to read as follows:

§ 560.533 Brokering commercial sales of agricultural commodities, medicine, and medical devices.

(a) **General license for brokering sales by U.S. persons.** United States persons are authorized to provide brokerage services on behalf of U.S. persons for the sales and exportations or reexportations by United States persons that are described in paragraphs (a)(1) and (a)(2) of § 560.530, provided that the sale and exportation or reexportation is authorized, as applicable, by a one-year specific license issued pursuant to paragraph (a)(1) of § 560.530 or by the general license set forth in paragraph (a)(2) of § 560.530. * * * * *

12. Amend Appendix B to part 560 by revising Note 1 to read as follows:

**Appendix B to Part 560—Bulk Agricultural Commodities**

Notes: 1. Appendix B sets forth bulk agricultural commodities eligible for sale pursuant to the licensing procedures and the general license in § 560.530.

* * * * *

Dated: October 4, 2011.

Adam J. Szubin,

**Director, Office of Foreign Assets Control.**

[FR Doc. 2011–26175 Filed 10–11–11; 8:45 am]

**BILLING CODE 4810–AL–P**

**DEPARTMENT OF THE TREASURY**

**Office of Foreign Assets Control**

**31 CFR Parts 538 and 560**

**Sudanese Sanctions Regulations; Iranian Transactions Regulations**

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Final rule.

**SUMMARY:** The Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) is amending the Sudanese Sanctions Regulations and the Iranian Transactions Regulations to authorize the processing of funds transfers for the operating expenses or other official business of third-country diplomatic or consular missions in Sudan or Iran, respectively. OFAC also is amending the Sudanese Sanctions Regulations and the Iranian Transactions Regulations to authorize the transportation of human remains to or from Sudan and Iran, respectively, for burial, cremation, or interment.

**DATES:** Effective Date: October 12, 2011.

**FOR FURTHER INFORMATION CONTACT:** Assistant Director for Sanctions Compliance & Evaluation, tel.: 202/622–2490, Assistant Director for Licensing, tel.: 202/622–2480, Assistant Director for Policy, tel.: 202/622–4855, Office of Foreign Assets Control, or Chief Counsel (Foreign Assets Control), tel.: 202/622–2410, Office of the General Counsel, Department of the Treasury (not toll free numbers).

**SUPPLEMENTARY INFORMATION:**

**Electronic and Facsimile Availability**

This document and additional information concerning OFAC are available from OFAC’s Web site (http://www.treasury.gov/ofac). Certain general information pertaining to OFAC’s sanctions programs also is available via facsimile through a 24-hour fax-on-demand service, tel.: 202/622–0077.

**Background**

OFAC is amending the Sudanese Sanctions Regulations, 31 CFR part 538 (the “SSR”), and the Iranian Transactions Regulations, 31 CFR part 560 (the “ITR”), to authorize the processing of funds transfers for the operating expenses or other official
business of third-country diplomatic or consular missions in, respectively, Sudan and Iran. OFAC also is amending the SSR and the ITR to authorize the transportation of human remains to or from Sudan and Iran, respectively, for burial, cremation, or interment. In addition, the amendments authorize the importation into the United States for non-commercial purposes of finished tombstones or grave markers of Sudanese or Iranian origin.

Section 538.204 of the SSR generally prohibits the importation into the United States, directly or indirectly, of any goods or services of Sudanese origin. Section 538.205 of the SSR generally prohibits the exportation or reexportation, directly Sudan of any goods, technology, or services from the United States or by a United States person, wherever located, or requiring the issuance of a license by a Federal agency. As set forth in section 538.212(g)(1) of the SSR, these prohibitions do not apply to activities or related transactions with respect to the Specified Areas of Sudan, as defined in SSR section 538.320, provided that, inter alia, they do not involve any property or interests in property of the Government of Sudan or the petroleum or petrochemical industries in Sudan. (Section 538.418 of the SSR contains guidance regarding additional restrictions on financial transactions involving Sudan, including the Specified Areas of Sudan.)

Section 560.201 of the ITR generally prohibits the importation into the United States of any goods or services of Iranian origin or owned or controlled by the Government of Iran. Section 560.204 of the ITR generally prohibits the exportation, reexportation, sale, or supply, directly or indirectly, from the United States or by a U.S. person, wherever located, of any goods, technology, or services to Iran or the Government of Iran. Sections 560.206 and 560.208 of the ITR contain additional prohibitions that also may apply to U.S. persons’ trade-related transactions with Iran or facilitation of transactions by foreign persons with Iran.

Third-country diplomatic and consular funds transfers. To ensure that the prohibitions in the SSR and the ITR do not impede the diplomatic or consular activities of third-country missions in Sudan and Iran, OFAC is adding new section 538.534 to the SSR and new section 560.542 to the ITR. Paragraph (a) Of each new section authorizes the importation into the United States of human remains for burial, cremation, or interment, paragraph (b) authorizes the importation into the United States for non-commercial purposes of finished tombstones or grave markers, and paragraph (c) authorizes the exportation from the United States or by U.S. persons of human remains for burial, cremation, or interment.

Public Participation

Because the amendments of the SSR and ITR involve a foreign affairs function, the provisions of Executive Order 12866 of September 30, 1993, and the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601–612) does not apply.

Paperwork Reduction Act

The collections of information related to the SSR and ITR are contained in 31 CFR part 501 (the “Reporting, Procedures and Penalties Regulations”). Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been approved by the Office of Management and Budget under control number 1505–0164. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

List of Subjects

31 CFR Part 538

Banks, Banking, Currency, Diplomatic and consular missions, Exports, Human remains, Imports, Sudan.

31 CFR Part 560

Banks, Banking, Currency, Diplomatic and consular missions, Exports, Human remains, Imports, Iran.

For the reasons set forth in the preamble, the Department of the Treasury’s Office of Foreign Assets Control amends 31 CFR parts 538 and 560 as follows:

PART 538—SUDANESE SANCTIONS REGULATIONS

1. The authority citation for part 538 continues to read as follows:


Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

2. Add a new §538.534 to subpart E to read as follows:

§538.534 Third-country diplomatic and consular funds transfers.

U.S. depository institutions, U.S. registered brokers or dealers in securities, and U.S. registered money transmitters are authorized to process funds transfers for the operating expenses or other official business of third-country diplomatic or consular missions in Sudan, provided such transfers are not by, to, or through a person who is included within the term Government of Sudan, as defined in §538.305.

3. Add a new §538.535 to subpart E to read as follows:

§538.535 Importation and exportation of human remains for burial, cremation, or interment authorized.

(a) The importation into the United States of human remains for burial, cremation, or interment, as well as of coffins or other receptacles containing such human remains, from Sudan is authorized.

(b) The importation into the United States for non-commercial purposes of finished tombstones or grave markers of Sudanese origin is authorized.

(c) The direct or indirect exportation from the United States, or by a United States person, wherever located, of human remains for burial, cremation, or interment, as well as of coffins or other receptacles containing such human remains, to Sudan is authorized.

(d) This section does not authorize the importation into the United States of Sudanese-origin cultural property or other items of archaeological, historical, or rare scientific importance.

Note to §538.535: See §538.418 for additional restrictions on financial transactions involving Sudan, including the Specified Areas of Sudan.
PART 560—IRANIAN TRANSACTIONS REGULATIONS

4. The authority citation for part 560 continues to read as follows:


Subpart E—Licensing, Authorizations, and Statements of Licensing Policy

5. Add a new § 560.541 to subpart E to read as follows:

§ 560.541 Third-country diplomatic and consular funds transfers.

United States depository institutions and United States registered brokers or dealers in securities are authorized to process funds transfers, in a manner consistent with § 560.516, for the operating expenses or other official business of third-country diplomatic or consular missions in Iran.

6. Add a new § 560.542 to subpart E to read as follows:

§ 560.542 Importation and exportation of human remains for burial, cremation, or interment authorized.

(a) The importation into the United States of human remains for burial, cremation, or interment, as well as of coffins or other receptacles containing such human remains, from Iran is authorized.

(b) The importation into the United States for non-commercial purposes of finished tombstones or grave markers of Iranian origin is authorized.

(c) The direct or indirect exportation from the United States, or by a United States person, wherever located, of human remains for burial, cremation, or interment, as well as of coffins or other receptacles containing such human remains, to Iran is authorized.

(d) This section does not authorize the importation into the United States of Iranian-origin cultural property or other items of archaeological, historical, or rare scientific importance.

Note 1 to § 560.542: United States depository institutions and United States registered brokers or dealers in securities may transfer funds in connection with transactions authorized pursuant to this section in a manner consistent with § 560.516.

Dated: October 4, 2011.

Adam J. Szubin,
Director, Office of Foreign Assets Control.

BILLING CODE 4810–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG–2011–0228]

Safety Zone, Brandon Road Lock and Dam to Lake Michigan Including Des Plaines River, Chicago Sanitary and Ship Canal, Chicago River, and Calumet–Saganashkee Channel, Chicago, IL

AGENCY: Coast Guard, DHS.

ACTION: Notice of enforcement of regulation.

SUMMARY: The Coast Guard will enforce a segment of the Safety Zone; Brandon Road Lock and Dam to Lake Michigan including Des Plaines River, Chicago Sanitary and Ship Canal, Chicago River, and Calumet–Saganashkee Channel on all waters of the Chicago Sanitary and Ship Canal from Mile Marker 295.7 to Mile Marker 297.0 daily from 7:30 a.m. through 10:30 a.m. on October 24–25, 2011 and from 8 a.m. to 6 p.m. on October 26, 2011. This enforcement action is necessary because the Captain of the Port, Sector Lake Michigan has determined that the Illinois Department of Natural Resources’ fish suppression operations to clear all fish between barrier IIA and IIB, in conjunction with the U.S. Army Corps of Engineers scheduled maintenance shutdown of Barrier IIB, poses risks to life and property. The combination of vessel traffic and the fish removal operations in the water makes the controlling of vessels through the impacted portion of the Chicago Sanitary and Ship Canal necessary to prevent injury and property loss.

In accordance with the general regulations in § 165.23 of this part, entry into, transiting, mooring, laying up or anchoring within the enforced area of this safety zone by any person or vessel is prohibited unless authorized by the Captain of the Port, Sector Lake Michigan, or his or her designated representative.

This notice is issued under authority of 33 CFR 165.930 and 5 U.S.C. 552(a). In addition to this notice in the Federal Register, the Captain of the Port, Sector Lake Michigan, will also provide notice through other means, which may include, but are not limited to, Broadcast Notice to Mariners, Local Notice to Mariners, local news media, distribution in leaflet form, and on-scene oral notice.

Additionally, the Captain of the Port, Sector Lake Michigan, may notify representatives from the maritime industry through telephonic and email notifications.

Dated: September 26, 2011.

M.W. Sibley,
Captain, U.S. Coast Guard, Captain of the Port, Sector Lake Michigan.

BILLING CODE 9110–04–P