



OFAC Advisory to the Maritime Petroleum Shipping Community

10
September
2019

“Members are asked to take note of important developments in respect of US sanctions targeting Iran. On 4 September 2019, OFAC issued a new “OFAC Advisory to the Maritime Petroleum Shipping Community” on the subject of “Sanctions Risks Related to Shipping Petroleum and Petroleum Products from Iran” which can be viewed [here](#)

The Advisory warns that “...*non-US persons —including foreign financial institutions — may be subject to US sanctions for knowingly conducting significant transactions for, or knowingly providing significant support to, certain Iran-related persons on OFAC’s SDN List*”. It also lists a number of “deceptive practices” which it is alleged are used by persons operating with Iran’s petroleum shipping sector to facilitate Iranian transactions which are the subject of US sanctions. Those practices include the falsification of cargo documents, STS operations as a means to conceal the origin of cargoes and disabling AIS transmissions in order to hide illicit activities.

Concurrently OFAC has added to its SDN List a large number of shipping companies and vessels which it is alleged are assisting Iran to evade US sanctions. A list of those targeted can be found [here](#)

An associated OFAC press release can be found [here](#)

Amongst those newly listed is Kish P&I Club, which is reported to provide P&I coverage for Iranian-owned vessels.

The OFAC press release “...*urges international companies to ensure they are conducting the necessary due diligence to avoid engaging in sanctionable activity with entities that support the Iranian regime’s malign activity*.” The Iran Advisory specifically warns that “...*transactions involving the designated entity Kish Protection & Indemnity Club (aka Kish P&I), a major Iranian insurance provider, are considered sanctionable activity*.”

The OFAC Advisory also lists eight Risk Mitigation Measures recommended by OFAC.

Members are urged to exercise a high degree of due diligence in relation to any trades which might, directly or indirectly, involve Iran, or persons conducting activities with Iran.

The Managers will continue to keep Members advised of further developments.