



HM TREASURY

Guidance on whether a transfer of funds that is covered by EU Regulation 267/2012 on Iran requires prior notification or prior authorisation by HM Treasury.

This guidance note provides an overview of the authorisation and notification requirements for financial transactions with Iran under article 30 and 30a of EU Regulation 267/2012 (“the EU Regulation”). It does not constitute legal advice and you should consider the exact wording of the Regulation in relation to your specific transaction.

The EU Regulation restricts your ability to:

- transfer funds between Iranian financial or credit institutions and EU financial or credit institutions, and
- transfer funds to and from Iranian persons, entities or bodies.

It is a criminal offence to breach these restrictions unless:

- you have authorisation from HM Treasury for a qualifying transaction, or
- you have notified HM Treasury of a qualifying transaction.

Authorisation requests and advance notifications to HM Treasury need to be submitted before the intended transaction takes place.

Is my transaction with a restricted person, entity or body?

Iranian financial and credit institutions include all banks and money service bureaux which are:

- domiciled in Iran;
- European branches and subsidiaries of banks and money service bureaux domiciled in Iran;
- branches located in Iran of international (non-EU) banks and money service bureaux;
- controlled by persons, entities or bodies domiciled in Iran.

Iranian persons, entities or bodies are:

- the State of Iran or any public authority thereof;
- any natural person in, or resident in, Iran;
- any legal person, entity or body having its registered office in Iran;
- any legal person, entity or body, inside or outside Iran, owned or controlled directly or indirectly by one or more of the persons or bodies listed above

For a full definition of the above, as set out by the EU Regulation, please refer to the following articles:

- Credit institution: Article 1 (f), cross –referring to Article 4(1) of Directive 2006/48/EC;
- Financial institution: Article 1 (i); and
- Iranian persons, entities or bodies: Article 1 (o).

If your proposed transaction involves a **Designated Person** or entity on the *Consolidated list of Asset Freeze Targets* <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>, you cannot use the notification or authorisation provisions, and you must seek a licence for the transaction to proceed.

What do I need - authorisation, notification or a licence?

The table below provides advice on which transfers qualify for notification or authorisation subject to Article 30 or 30a under the EU Regulation:

| Purpose of Transfer | Value of the transfer in EUR or its equivalent | Is there an Iranian bank involved? | Prior Notification or Authorisation | Article 30 or 30a |
|--|--|---|-------------------------------------|-------------------|
| Foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes. | Of or above: 1,000,000 | Yes | Authorisation | Article 30 |
| Foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes. | ≥ 100,000 < 1,000,000 | Yes | Notification | Article 30 |
| Personal remittances | Of or above: 400,000 | Yes (if No please see 'Any other transfer') | Authorisation | Article 30 |
| Personal remittances | ≥ 10,000 < 400,000 | Yes (if No please see 'Any other transfer') | Notification | Article 30 |
| Trade contract* | Of or above: 100,000 | Yes | Authorisation | Article 30 |
| Diplomatic missions or consular posts and international organisations* | Of or above: 100,000 | Yes | Authorisation | Article 30 |

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|---|-----------------------|--|---------------|-------------|
| Claims by or against an Iranian person, entity or body* | Of or above: 100,000 | Yes | Authorisation | Article 30 |
| The execution of contracts concluded before 23 January 2012, providing that the supply of Iranian crude oil and petroleum products or the proceeds derived from their supply are for the reimbursement of outstanding amounts to persons, entities or bodies under the jurisdiction of Member States, (Article 12(1)(b)) Foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes. * | Of or above: 100,000 | Yes | Authorisation | Article 30 |
| Foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes. | Of or above: 100,000 | No | Notification | Article 30a |
| Any other transfer | ≥ 10,000 < 400,000 | No | Notification | Article 30a |
| Any other transfer | Of or above 400,000 | No | Authorisation | Article 30a |
| Does your transfer involve a Designated Person† | Any amount | Please contact the Treasury about obtaining a licence. | | |

* You are still encouraged to notify the Treasury if your transfer is between 10,000 Euro and 100,000 Euro equivalent.

† A full list of designated persons and entities is available at:
<https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>

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How to submit your request

Forms for making notifications, authorisation requests and licence applications can be found here: <https://www.gov.uk/government/publications/license-applications-iran>

If you do not submit your application on the correct form, you will be asked to re-submit and this will delay consideration of your request.

Please use the following terms in the subject line of your email to ensure that your application is allocated to the correct area within HM Treasury's Financial Sanctions Team:

"IRANIAN BANK AUTHORISATION" for authorisation requests under Article 30

"AUTHORISE" for authorisation requests under Article 30a

"NOTIFY" for notifications under Articles 30 and 30a

'LICENCE APPLICATION' for a licence application under other parts of the EU Regulation.

All applications should be submitted to: financialsanctions@hmtreasury.gsi.gov.uk

Time frames

- Once a notification has been acknowledged by HM Treasury, you may proceed with a transaction;
- HM Treasury are required to respond to authorisation requests within four weeks, unless further checks are needed (in which case we will let you know that it could take longer); however this does not guarantee that authorisation will be granted.

For more information on complying with financial sanctions, read our frequently asked questions here: <https://www.gov.uk/government/publications/financial-sanctions-faqs>

Read the original version 26.03.2012 Council Regulation (EU) No 267/2012 here: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:088:0001:0112:EN:PDF>

Amendments to this Regulation were made in December 2012: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:356:0034:0054:EN:PDF>

and in January 2014: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2014:015:0018:0021:EN:PDF> .

Case examples of the transfer of funds under Articles 30 and 30a of the Iran EU Regulation:

Example 1

I own a UK company and have been approached by an Iranian company that wants to purchase €2,500,000 worth of hearing aids. The Iranian company has advised that they wish to pay for the goods using a bank in the United Arab Emirates.

You will need to notify HM Treasury in advance of these funds being transferred. You should complete a notification form under Article 30a. In this situation, your transfer of funds involves a non Iranian bank and an EU bank and the transfer purpose relates to medical equipment.

Example 2

I am an Iranian student living in the UK and my parents would like to send me €50,000 to cover my tuition fees and living expenses using an Iranian bank.

You will need to notify HM Treasury in advance by completing the notification form under Article 30. Your transfer of funds involves an Iranian bank and an EU bank and the transfer purpose relates to a personal remittance which exceeds €10,000.

Example 3

I am an Iranian resident and wish to purchase a holiday home in the UK for around £500,000 using funds which I have in a bank in Turkey.

You will need to obtain prior authorisation from HM Treasury by completing the authorisation form and stating that this payment requires authorisation under Article 30a. This obligation arises because your residence in Iran means that you are an Iranian person under the EU Regulation, the transfer of funds exceeds €400,000 and no Iranian bank is involved in the transaction.

Example 4

My father in Iran wishes to lend me £15,000 as a deposit towards my wedding and his funds are in an Iranian bank.

You will need to notify HM Treasury in advance by completing the notification form under Article 30. This obligation arises as your transfer of funds involves an Iranian bank and the transfer is a personal remittance. Responsibility to notify HM Treasury, as opposed to gaining prior authorisation, arises because your transfer falls within the €10,000 to €400,000 band.

Example 5

I want to make a payment for a relative's healthcare bills and my recipient bank account is with a designated Iranian bank.

Such a payment, regardless of the sum, constitutes making funds available to a designated person/entity (i.e the bank) and cannot be made without a licence. You will need to write to HM Treasury, attaching a licence application form outlining the facts and urgency of your application. Please see chapter 10 of the Financial Sanctions FAQs for more information about obtaining a licence.