



## Revocation of the Financial Restrictions (Iran) Order 2012

This notice is issued in respect of the revocation of the Financial Restrictions (Iran) Order 2012, which was made in exercise of the powers conferred by Schedule 7 to the Counter-Terrorism Act 2008.

### Introduction

1. On 31 January 2013 the Financial Restrictions (Iran) Order 2012 was revoked.
2. The Financial Restrictions (Iran) Order 2012 ("the 2012 Order") prohibited transactions and business relationships between UK credit and financial institutions and Iranian banks.
3. EU Regulation 1263/2012 amended EU Regulation 267/2012 ("the EU Regulation") so that it is prohibited for EU (and therefore UK) credit and financial institutions to transfer funds to or from Iranian banks and financial institutions without authorisation.
4. Article 30 (as amended) of the EU Regulation contains effectively the same prohibition as was contained in the Financial Restrictions (Iran) Order 2012. Consequently the Order is being revoked in order to avoid any confusion resulting from two restrictions operating in parallel.
5. The restrictions contained in Article 30 of EU Regulation 267/2012, including the requirement to notify the Treasury of any transfer of funds over €10,000 to or from any Iranian person, entity or body and seek authorisation from the Treasury for any transfer of funds to or from any Iranian person, entity or body over €40,000 remain in place under Article 30a (as amended).

### Differences between the 2012 Order and the EU Regulation

6. In practice UK credit and financial institutions should not experience a significant difference in complying with the restrictions. It remains prohibited for UK credit and financial

institutions to transfer funds to or from Iranian credit and financial institutions except where authorised by the competent authority. Some dealings (e.g. new correspondent accounts) with Iranian banks also remain prohibited under the EU Regulation. Note that the prohibitions in the EU Regulation apply to Iranian financial institutions (e.g. money transmitters) as well as Iranian banks.

7. The key differences from a compliance perspective are the thresholds above which licences need to be applied for:

- No licence is required if the transfer between a UK credit or financial institution and an Iranian credit or financial institution is under €10,000.
- No prior authorisation is required if the transfer between a UK credit or financial institution and an Iranian credit or financial institution is a personal remittance and is under €40,000. A prior notification must be sent to the Treasury if the transfer is of €10,000 or more.
- Humanitarian payments involving UK credit and financial institutions and Iranian credit and financial institutions are exempt from the prohibition on transfers of funds between UK credit and financial institutions and Iranian credit and financial institutions if they are of €100,000 or under. A prior notification must be sent to the Treasury if the transfer is of €10,000 or above.
- Article 30(2) of EU Regulation 1263/2012 sets out other grounds on which the Treasury may authorise transfers of funds between UK credit and financial institutions and Iranian credit and financial institutions.
- It remains prohibited to make funds or economic resources directly or indirectly available to any person, entity or body designated under the EU Regulation, including the designated Iranian banks.

8. The table below sets out the notification & authorisation requirements for transfers of funds between UK credit and financial institutions and Iranian credit and financial institutions.

Type of payment/relationship	Size of payment	Do I need to notify / apply for a licence?
Business relationship between a UK credit or financial institution and an Iranian bank	N/A	<p><b>No</b> The EU Regulation does not prohibit business relationships with all Iranian credit and financial institutions in the same way as the Order did. However, some dealings (e.g. new correspondent accounts) with Iranian credit and financial institutions continue to be prohibited, and transfers of funds to or from an Iranian credit or financial institutions are prohibited without notification/authorisation.</p>
Humanitarian Payments	€10,000 < €100,000	<p><b>No but must notify the Treasury first if over €10,000</b> Humanitarian payments under €100,000 are exempt from the prohibition on transfers of funds between EU and Iranian credit and financial institutions. Prior notification to the Treasury is required if over €10,000.</p>
	≥ €100,000	<p><b>Yes</b> Apply for prior authorisation under the EU Regulation using the Article 30 authorisation application form.</p>
Personal Remittance (including payments to students studying in the UK)	€10,00 < €40,000	<p><b>No but must notify the Treasury first if over €10,000</b> Personal remittances under €40,000 are exempt from the prohibition on transfers of funds between EU and Iranian credit and financial institutions. Prior notification to the Treasury is required if over €10,000.</p>
	≥ €40,000	<p><b>Yes</b> Apply for prior authorisation under the EU Regulation using the Article 30 authorisation application form.</p>
Other payments (all licensable payments referred to in Article 30(2))	under €10,000	<p><b>No</b> No authorisation required under the EU Regulation.</p>
	≥ €10,000	<p><b>Yes</b> Apply for prior authorisation under the EU Regulation using the Article 30 authorisation application form.</p>

## Other information

9. A copy of the Financial Restrictions (Iran)(Revocation) Order 2013 can be obtained from:

[http://www.hm-treasury.gov.uk/d/fin\\_sanc\\_revocation\\_order\\_2013\\_310113.pdf](http://www.hm-treasury.gov.uk/d/fin_sanc_revocation_order_2013_310113.pdf)

10. A copy of Council Regulation (EU) 1263/2012 can be obtained on the Financial Sanctions pages of the Treasury Website at:

[http://www.hm-treasury.gov.uk/d/fin\\_sanc\\_council\\_reg1263\\_241212.pdf](http://www.hm-treasury.gov.uk/d/fin_sanc_council_reg1263_241212.pdf)

and from the Official Journal of the European Union website at: [http://eur-](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:356:0034:0054:EN:PDF)

[lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:356:0034:0054:EN:PDF](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:356:0034:0054:EN:PDF)

11. Copies of relevant Releases, UN Security Council Resolutions, EU Regulations and UK legislation can be obtained from the Iran (nuclear proliferation) regime page on the financial sanctions pages of the Treasury website:

[http://www.hm-treasury.gov.uk/fin\\_sanctions\\_iran\\_nuclear.htm](http://www.hm-treasury.gov.uk/fin_sanctions_iran_nuclear.htm).

## Enquiries / Contact details

12. Non-media enquiries should be addressed to:

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London, SW1A 2HQ  
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13. Media enquiries should be addressed to the Treasury Press Office on 020 7270 5238.

HM Treasury  
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