

Sanctions Alert

A monthly summary of sanctions news and events

In this Issue:

Iran News

- 03 CJEU Annuls Relisting of Iranian Oil Company
 - 03 JCPOA Implementation Day May Be January 2016
-

Russia and Ukraine News

- 04 Russia Imposes Sanctions on Turkey
 - 04 CJEU Hands Down First Judgment on Ukraine Misappropriation Sanctions
 - 05 Non-EU Member States Align Themselves with EU Policies
 - 05 Western Leaders Agree to Extend Russian Sanctions by Six Months
-

EU News

- 06 Zimbabwe: EU Updates Sanctions Regime
 - 06 Yemen: EU Updates Sanctions List
 - 06 Guinea: EU Extends Sanctions Regime
 - 07 Moldova: EU Extends Sanctions Regime
 - 07 Belarus: EU Delists Four Entities
 - 07 Burundi: Non-EU Member States Align Themselves with EU Sanctions
 - 08 Somalia: EU Removes Individual from Sanctions List
 - 08 CJEU Dismisses Sanabel Relief Agency's Annulment Application
-

US News

- 08 US Terminates Liberia-Related Sanctions
- 09 New Burundi-Related Sanctions Are Imposed
- 09 Expanded List of Medical Supplies Allowed for Export to Iran
- 09 OFAC Clarifies Obligations of US Financial Institutions in Processing Transactions Related to Cuba Travel
- 10 Banco do Brasil New York Branch Settles over False Hit List Errors
- 10 US Network Equipment Provider and UK Subsidiary Settle with OFAC over Products and Services Exported to Iran, Sudan and Syria

Continued on page 2

- 11 OFAC Blocks Russian Bank and Other Businesses and Individuals with Alleged Ties to Syria's Assad Regime
 - 11 OFAC Blocks Individuals and Company Linked to North Korean Mining Concern
 - 12 Additional Hizballah Front Companies Identified
 - 12 US Blocks Individuals, Entities Linked to Colombian and Mexican Drugs Cartels
 - 13 Altaf Khanani Money Laundering Organisation Designated as TCO
 - 13 US Blocks Islamic State Leader
 - 13 Multiple Individuals and Entities Dropped from SDN List
 - 14 US Assistant Attorney General Speaks on Sanctions and OFAC Compliance at SIFMA Conference
-

UN News

- 14 1998 Sanctions Committee Adds One Individual to its Sanctions List
 - 15 UNSC Expands Central African Republic Sanctions
 - 15 Al-Qaeda Sanctions Committee Deletes Three Individuals from its Sanctions List
-

UK News

- 16 Court of Appeal Requires Disclosure in Bank Mellat Case
- 16 British Man Extradited to US in Syrian Export Charge
- 17 HMT Publishes Quarterly Report on Counter-Terrorist Asset Freezing Regime

Continued on page 2

Iran News

CJEU Annuls Relisting of Iranian Oil Company

On 19 November 2015, the CJEU annulled the relisting of North Drilling Co. (“NDC”) on the EU’s Iran sanctions list in [Case T-539/14 North Drilling Co. v Council of the European Union](#) (judgment not yet available in English) on the grounds that there was no evidence to support the Council’s revised reasons that NDC had provided financial support to the Iranian government or its nuclear programme.

NDC was relisted in 2014 on amended grounds following a successful challenge to its original listing, which was based on its connections with the National Iranian Oil Company (see [Issue 18 of the Sanctions Alert](#)).

The judgment annuls NDC’s relisting pursuant to [Council Decision 2014/222/CFSP](#) amending [Decision 2010/413/CFSP](#) and [Council Implementing Regulation \(EU\) No. 397/2014](#) implementing [Council Regulation \(EU\) No. 267/2012](#).

NDC is a listed entity on the Joint Comprehensive Plan of Action nuclear deal (“JCPOA”) (see [Issue 44 of the Sanctions Alert](#)) and would therefore have been delisted after Implementation Day in any event.

[Back to the top](#)

JCPOA Implementation Day May Be January 2016

The [US](#) and [Russia](#) have both expressed expectations that Implementation Day may occur “as early as January” 2016. Implementation Day denotes the verification of Iran’s implementation of specified nuclear-related measures and the consequent beginning of sanctions relief under the Joint Comprehensive Plan of Action nuclear deal (the “JCPOA”) (see [Issue 44 of the Sanctions Alert](#)).

These expectations coincide with the publication of a [report](#) on 2 December 2015 by the International Atomic Energy Agency (the “IAEA”), the body responsible for verifying Iran’s implementation, on the history of Iran’s alleged attempts to develop nuclear weapons.

The report concluded that “a range of activities relevant to the development of a nuclear explosive device were conducted [...] prior to the end of 2003 as a coordinated effort”, but “no credible indications of activities in Iran relevant to the development of a nuclear explosive device after 2009” were found. The IAEA also highlighted areas in which Iran’s cooperation with investigators was limited; little information was provided on some occasions, and some misleading responses were given.

[Back to the top](#)

Continued on page 3

Russia and Ukraine News

Russia Imposes Sanctions on Turkey

On 28 November 2015, Russian President Vladimir Putin signed an [Executive Order](#) imposing sanctions on Turkey, in response to the dispute over the shooting down of a Russian warplane close to the Syrian-Turkish border.

The Executive Order, which came into immediate effect, bans certain unspecified Turkish goods, extensions of labour contracts for Turkish people

working in Russia from 1 January 2016, charter flights from Russia to Turkey, the sale of package holidays in Turkey by Russian tour operators, and visa-free travel between Russia and Turkey. The Executive Order also increases control over Turkish air carriers in Russia.

[Back to the top](#)

CJEU Hands Down First Judgment on Ukraine Misappropriation Sanctions

On 26 October 2015, the CJEU annulled the listing of Andriy Portnov in [Case T-290/14 Andriy Portnov v Council of the European Union](#) (judgment not yet available in English), removing the asset freeze imposed on him. This was the first judgment of the CJEU dealing with the EU's Ukraine sanctions regime.

Portnov, a former adviser to ex-Ukrainian President Viktor Yanukovich, had already been removed from the list on 5 March 2015 by [Council Implementing Regulation \(EU\) 2015/357](#), but the CJEU annulled his listing, finding that the basis for his inclusion on the list did not "satisfy the criteria" for designating persons whose funds are to be frozen. The Council had relied

solely upon a March 2014 letter from the Ukrainian Public Prosecutor's Office stating that the investigation into Portnov and others had "made it possible to establish misappropriation of [...] State funds". However, the letter failed to provide sufficiently specific details about Portnov. The CJEU held that the EU had failed to conduct its own independent analysis into whether Portnov had satisfied the criteria for listing.

The judgment is significant for other individuals with pending challenges to their EU listings where they were made subject to restrictive measures on similar grounds.

[Back to the top](#)

Non-EU Member States Align Themselves with EU Policies

Montenegro, Albania, Liechtenstein and Norway, all non-members of the EU, have agreed to [align](#) their sanctions policies with the EU's space industry-related exceptions to the restrictive measures imposed on Russia.

All have aligned themselves with [Council Decision \(CFSP\) 2015/1764](#) amending [Council Decision 2014/512/CFSP](#) and [Council Regulation \(EU\) 2015/1797](#) amending [Regulation \(EU\) No. 833/2014](#). The EU amended its sanctions regime on Russia in order to restrict its effect on the European space industry (see [Issue 44 of the Sanctions Alert](#)).

The same countries, with the addition of other non-members Ukraine and Moldova have agreed to [align](#) their sanctions policies with the EU's recent extension of restrictive measures and update of statement of reasons for Serhii Kliuiev.

All have aligned themselves with [Council Decision \(CFSP\) 2015/1781](#) amending [Council Decision 2014/119/CFSP](#) (see [Issue 44 of the Sanctions Alert](#)).

[Back to the top](#)

Western Leaders Agree to Extend Russian Sanctions by Six Months

On 15 and 16 November 2015, western leaders attended a G20 summit in Antalya, Turkey. A senior European diplomat reported that the leaders agreed at the summit to extend by six months the existing sanctions imposed on Russia for its intervention in Ukraine pursuant to [Council Decision 2015/971](#) amending [Council Decision 2014/512/CFSP](#).

The EU's sanctions regime on Russia limits transactions with major Russian financial institutions,

imposes a ban on the export and import of trade in arms, establishes an export ban for dual-use goods for military use in Russia, and restricts the supply of certain equipment and services used for oil production and exploration in Russia. These restrictions had been due to expire in January 2016 but have now been extended to remain in force until July 2016.

[Back to the top](#)

EU News

Zimbabwe: EU Updates Sanctions Regime

On 26 October 2015, the EU delisted one deceased individual, Amos Bernard Midzi (alias Mugenva), who was subject to the restrictive measures regime in respect of Zimbabwe, by [Council Regulation \(EU\) 2015/1919](#) and [Commission Implementing Regulation \(EU\) 2015/1921](#), both amending [Council Regulation \(EC\) No. 314/2004](#), and [Council Decision \(CFSP\) 2015/1924](#) amending [Council Decision 2011/101/CFSP](#).

The current restrictive measures on Zimbabwe impose asset freezes and travel bans on specified members of the Zimbabwean government (currently limited to Robert Mugabe and his wife Grace) and an asset freeze against Zimbabwe Defence Industries (see also [Issue 35 of the Sanctions Alert](#)).

[Back to the top](#)

Yemen: EU Updates Sanctions List

On 26 October 2015, pursuant to [Council Implementing Regulation \(EU\) 2015/1920](#) and [Council Implementing Decision \(CFSP\) 2015/1927](#), which implement respectively [Council Regulation \(EU\) No. 1352/2014](#) and [Council Decision 2014/932/CFSP](#), the EU has added to the listing of Ahmed Ali Abdullah Saleh his place of birth and details of the (now cancelled) diplomatic identity card issued to him by the United Arab Emirates.

The update brings Ahmed Ali Abdullah Saleh's EU listing in line with his listing under the UN sanctions on Yemen, which was [amended](#) on 16 September 2015.

Ahmed Ali Abdullah Saleh was originally added to the EU sanctions list in June 2015 following his listing under UN sanctions in April 2015 (see [Issue 39 of the Sanctions Alert](#)).

[Back to the top](#)

Guinea: EU Extends Sanctions Regime

On 26 October 2015, restrictive measures against the Republic of Guinea were extended until 27 October 2016 by [Council Decision \(CFSP\) 2015/1923](#) amending [Council Decision 2010/638/CFSP](#).

Under the sanctions, listed individuals are subject to asset freezes and travel bans. Those listed include five individuals responsible for violence leading to more than

150 deaths in 2009, and individuals associated with them. The regime was originally more extensive but has been reduced (see for example [Issue 17 of the Sanctions Alert](#)).

The sanctions regime was last extended for a year on 21 October 2014 (see [Issue 30 of the Sanctions Alert](#)).

[Back to the top](#)

Moldova: EU Extends Sanctions Regime

On 26 October 2015, restrictive measures against the leadership of the Transnistrian region of the Republic of Moldova were extended until 31 October 2016 by [Council Decision \(CFSP\) 2015/1925](#) amending [Council Decision 2010/573/CFSP](#).

Under the sanctions in force, travel bans are imposed on individuals responsible for the campaign against Roman-script schools in the Transnistrian region.

[Back to the top](#)

Belarus: EU Delists Four Entities

In addition to suspending sanctions in respect of Belarus for four months (see [Issue 44 of the Sanctions Alert](#)), on 29 October 2015 the EU delisted four Belarusian entities in [Council Implementing Regulation \(EU\) 2015/1949](#), implementing Article 8(a) of [Regulation \(EC\) No. 765/2006, effective](#) from 31 October 2015.

The de-listed entities are LLC Triple Metal Trade, JV LLC Triple-Techno, MSSFC Logosyk and Triple-Agro

ACC. These entities were de-listed following the CJEU judgment in [Case T-276/12 Chyzh and Others v Council of the European Union](#) (see [Issue 44 of the Sanctions Alert](#)) on the basis that there are no longer grounds for them to remain on the list.

[Back to the top](#)

Burundi: Non-EU Member States Align Themselves with EU Sanctions

Macedonia, Montenegro, Serbia, Albania, Bosnia and Herzegovina, Liechtenstein, Norway, Ukraine, Moldova and Armenia, all non-members of the EU, have agreed to [align](#) their sanctions policies with the EU's restrictive measures in respect of Burundi.

All have aligned themselves with [Council Decision \(CFSP\) 2015/1763](#), adopted on 1 October 2015. The restrictive measures imposed include a travel ban and asset freeze against individuals undermining democracy,

obstructing the search for a political solution to the crisis in Burundi or involved in acts that constitute serious human rights abuses.

Four individuals were listed for their involvement with violence and repression during the demonstrations that started on 26 April 2015 or for participating in the attempted coup d'état of 13 May 2015.

[Back to the top](#)

Somalia: EU Removes Individual from Sanctions List

On 16 November 2015, pursuant to [Council Implementing Regulation \(EU\) 2015/2044](#) implementing [Council Regulation 356/2010](#) and [Council Implementing Decision \(CFSP\) 2015/2053](#) implementing [Council Decision 2010/231/CFSP](#), the EU removed Ali Ahmed Nur Jim'ale from its list of individuals subject to restrictive measures in view of the situation in Somalia.

The update brings the EU in line with the UN sanctions relating to Somalia, from which Ali Ahmed Nur Jim'ale was [delisted](#) on 11 March 2014. He had been said by the UN to have supported al-Shabaab.

[Back to the top](#)

CJEU Dismisses Sanabel Relief Agency's Annulment Application

On 28 October 2015, the CJEU rejected the applications of one entity and three individuals to annul their listing in the UN terrorist sanctions regime in [Case T-134/11 Al-Bashir Mohamed Al-Faqih & Others v European Commission \[2015\]](#). The entity was the Sanabel Relief Agency Ltd and the three individuals were Al-Bashir Mohammed Al-Faqih, Ghunia Abdrabbah and Taher Nasuf.

The applicants submitted that the Commission had failed to comply with its duty set out in [Kadi and Al Barakaat International Foundation v Council](#)

[and Commission \(C-402/05 P and C-415/05 P, ECR, EU:C:2008:461\)](#) to examine, carefully and impartially, whether the alleged reasons for listing were well founded. The CJEU dismissed the application, holding that the Commission had complied with its duties because, inter alia, the applicants had received summaries of the UN's reasons for listing and the Commission had assessed both those reasons and the applicants' responses.

[Back to the top](#)

US News

US Terminates Liberia-Related Sanctions

On 12 November 2015, President Obama signed an [Executive Order](#) terminating the sanctions aimed at members of the former Liberian regime of President Charles Taylor. The lifting of sanctions is based on the fact that Taylor is now serving a prison sentence imposed by the [Special Court for Sierra Leone](#) and President Obama's determination that persons

connected to Taylor's former government have 'diminished ability' to 'undermine Liberia's progress.' All entities and individuals who were placed on the Specially Designated Nationals (SDN) List under the Liberia-related sanctions have been removed from the list and are now unblocked.

[Back to the top](#)

New Burundi-Related Sanctions Are Imposed

On 23 November 2015, President Obama signed an [Executive Order](#) empowering the Secretaries of Treasury and State to block the property of persons contributing to the instability of Burundi, or committing acts of violence against civilians and other human rights violations in Burundi. The President also designated four individuals as blocked within the order. Alain Guillaume Bunyoni, Minister of Public Security, and Godefroid Bizimana, Deputy Director-General of the National

Police, are both accused of leading Burundi's National Police in committing violence against protestors. Godefroid Bizimana, Deputy Director-General of the National Police, and Godefroid Niyombare, Major General, Former Chief of Burundi Intelligence Service, are both accused of playing integral roles in the failed May 2015 coup in Burundi.

[Back to the top](#)

Expanded List of Medical Supplies Allowed for Export to Iran

On 2 November 2015, the US Treasury Department's Office of Foreign Assets Control (OFAC) updated the [list of medical supplies](#) that may be permissibly exported or reexported to Iran under the Iranian Transactions and Sanctions Regulations. OFAC significantly expanded the list of allowable items and organised the items in

categories by medical speciality that include general medical equipment and supplies, anaesthesiology, dental equipment and supplies and sterilisation.

[Back to the top](#)

OFAC Clarifies Obligations of US Financial Institutions in Processing Transactions Related to Cuba Travel

On 25 November 2015, OFAC issued [Frequently Asked Question No. 52](#), answering a concern that US financial institutions had raised in connection with processing financial transactions related to travel by US persons to Cuba. Since January of this year, specific licenses from OFAC have generally not been required for travel to Cuba as long as the travel falls within one of twelve permitted categories specified in the Cuban

Assets Control Regulations. The new FAQ clarifies that financial institutions may rely on travellers to self-certify their authorisation to travel directly to their travel service providers or carriers, unless the financial institution knows or has reason to know the travel is unauthorised.

[Back to the top](#)

Banco do Brasil New York Branch Settles over False Hit List Errors

On 4 November 2015, OFAC [announced](#) a settlement agreement with the New York branch of Banco do Brasil, S.A., for seven apparent violations of the Iranian Transactions and Sanctions Regulations. According to OFAC, from October 2010 to June 2011, the bank processed seven transactions totalling roughly \$165,000 for Isfahan Internacional Importadora Ltda, a Brazilian importer of Iranian carpets. Although the name Isfahan, which is a city in Iran, caused an alert in the bank's interdiction system, the bank placed it on a "Good Guy Exception List" in June 2010 after receiving assurances from the company that it did not deal in Iranian goods. BBNY later learned that it had processed transactions for Isfahan involving Iranian goods, but continued to maintain Isfahan on its exception list in reliance on Isfahan's earlier representations. Although

two transactions with a different address for Isfahan triggered alerts, compliance personnel erroneously cleared the transactions.

OFAC determined that the bank did not voluntarily disclose the apparent violations, that the apparent violations were not egregious, and that the base penalty under OFAC's guidelines was \$310,000. The bank agreed to remit \$139,500 to settle its potential liability for civil penalties.

OFAC has recently issued [guidance](#) on the proper use and maintenance of false hit lists, which warns of the risks of overreliance on those lists (see [Issue 44 of the Sanctions Alert](#)).

[Back to the top](#)

US Network Equipment Provider and UK Subsidiary Settle with OFAC over Products and Services Exported to Iran, Sudan and Syria

On 24 November 2015, OFAC announced a [settlement](#) with the US-based company Barracuda Networks, Inc. for alleged violations of the Iranian Transactions and Sanctions Regulations, the Sudanese Sanctions Regulations, and the Syrian Sanctions Regulations. From August 2009 to April 2012, Barracuda's UK subsidiary sold web filtering products, including security and censorship products, to entities and individuals in Iran and Sudan and to SDNs designated under the Syria

Sanctions Regulations. The US entity provided ongoing support for these products until May 2012. OFAC determined that Barracuda voluntarily self-disclosed the apparent violations to OFAC and that the apparent violations constituted a non-egregious case. The total transaction value was \$123,586, and Barracuda agreed to remit \$38,930 to settle its potential liability.

[Back to the top](#)

OFAC Blocks Russian Bank and Other Businesses and Individuals with Alleged Ties to Syria's Assad Regime

On 25 November 2015, OFAC [designated](#) four individuals and six entities pursuant to the Syrian sanctions regime for their support of the Government of Syria. All four individuals are accused of facilitating the Syrian government's economic activities. All six entities are controlled by one or more of the individuals.

The newly blocked entities are Russian Financial Alliance Bank, based in Moscow; Ezegoo Investments Ltd, based in Lemesos, Cyprus; Hesco Engineering & Construction Co., based in Damascus and London; Hudsotrade Limited, based in Moscow; Kremson

Commercial Inc., based in Belize; and Primax Business Consultants Limited, based in Limassol, Cyprus.

One of the individuals, Kirsan Ilyumzhinov, is a Russian businessman who was the former president of the Russian Republic of Kalmykia and is the current World Chess Federation president. The other individuals designated were George Haswani, a Russian and Syrian national based in Syria; Mudalal Khuri, a Russian national based in Syria; and Nicos Nicolaou, a Cypriot national based in Cyprus.

[Back to the top](#)

OFAC Blocks Individuals and Company Linked to North Korean Mining Concern

On 13 November 2015, OFAC [added](#) four individuals and one entity to its SDN list under its North Korea sanctions regime, on the ground that they have assisted the North Korean government's attempts to skirt US and UN sanctions. All have ties to the Korea Mining Development Trading Corporation (KOMID), which was previously [blocked](#) on 2 January 2015.

Kim Sok Chol, the North Korean Ambassador to Burma (Myanmar), was among those designated. OFAC alleges that Kim is paid by KOMID to facilitate meetings with persons connected to the Burmese military. Kim

Kwang Hyok, a KOMID official in Burma, and Ri Chong Chol, a KOMID official in North Korea, also were designated. These steps represent a continuation of OFAC's efforts to undermine ties between North Korea and the Burmese military.

Another individual, Egypt-based Hwang Su Man, and his Egypt-based company EKO Development and Investment Company also were designated for marketing North Korean-origin weapons systems for KOMID and the North Korean government.

[Back to the top](#)

Additional Hizballah Front Companies Identified

On 5 November 2015, OFAC [designated](#) two individuals and four entities as Specially Designated Global Terrorists (“SDGTs”) for assisting Hizballah by procuring sensitive technology and equipment on its behalf. The two individuals, Fadi Hussein Serhan and

Adel Mohamad Cheri, and two of the entities, Vatech SARL and Labico SAL Offshore, are based in Lebanon. The other two entities, Le-Hua Electronic Field Co. and Aero Skyone Co. Limited, are based in China.

[Back to the top](#)

US Blocks Individuals, Entities Linked to Colombian and Mexican Drugs Cartels

On 10 November 2015, OFAC [designated](#) two Colombian Los Urabeños members and their Colombia-based companies as Specially Designated Narcotics Traffickers (“SDNTs”) pursuant to the Foreign Narcotics Kingpin Designation Act (“Kingpin Act”). According to OFAC, Victor Alfonso Mosquera Perez, a.k.a. Negro Mosquera, and Alveiro Feo Alvarado, a.k.a. Benavides, control narcotics trafficking and manage finances, respectively, for Los Urabeños.

Both were indicted by a federal grand jury in the Southern District of Florida for narcotics charges in 2014. Their companies, De Expomineria S.A.S., a mining company based in Medellin, Colombia, and Joyeria MVK, a jewellery business based in the Urabá region in Northern Colombia, were also designated. Los Urabeños was previously designated on 31 May 2013 for money laundering, and weapons and drug trafficking.

On 24 November, OFAC [designated](#) two Mexican nationals for their support of the Sinaloa cartel and its leadership pursuant to the Kingpin Act. Guadalupe Fernandez Valencia and Jorge Mario Valenzuela Verdugo were indicted by the U.S. Attorney’s Office for the Northern District of Illinois in January 2015. Both men are lieutenants for the Chapo Guzman family and are accused of widespread narcotics trafficking and money laundering on behalf of the Sinaloa cartel and the Guzman family. Chapo Guzman, the leader of the Sinaloa cartel, and the Sinaloa cartel were [designated](#) in February 2014 pursuant to the Kingpin Act for prolific drug trafficking.

[Back to the top](#)

Altaf Khanani Money Laundering Organisation Designated as TCO

On 12 November 2015, OFAC [blocked](#) Altaf Khanani Money Laundering Organisation as a transnational criminal organisation. OFAC alleges that the Khanani organisation, which operates in Australia, Canada, Pakistan, United Arab Emirates, United Kingdom, and the United States, launders billions of dollars for organised criminal groups, drug trafficking organisations and terrorist groups. According to OFAC, the

organisation serves Chinese, Colombian and Mexican criminal groups, as well as Hizballah. The US Drug Enforcement Agency had arrested Altaf Khanani, the head of the organisation, on 11 September 2015. The Al Zarooni Exchange, an UAE-based entity controlled by the Khanani organisation, was also designated.

[Back to the top](#)

US Blocks Islamic State Leader

On 13 November 2015, the US [designated](#) Russian national Maghomed Maghomedzakirovich Abdurakhmanov, a leader of a branch of Islamic State known as Jamaat Abu Banat, as a Specially Designated Global Terrorist. Abdurakhmanov was convicted

by a Turkish court in July 2015 for beheading three individuals in Syria in July 2013. The move follows a similar action by the UN.

[Back to the top](#)

Multiple Individuals and Entities Dropped from SDN List

On 19 November 2015, OFAC removed two individuals from the SDN List. Colombian national Carlos Agustin Urrego Escudero was originally [designated](#) as an SDNT on 6 May 2010 for his connection to the financial networks of Fuerzas Armadas Revolucionarias de Colombia ("FARC"). Honduran national Jose Miguel Handal Perez was originally [designated](#) as an SDNT for being the head of a Honduran-based drug trafficking organisation. It is not immediately clear why either individual was removed from the SDN List.

On 19 November 2015, the US State Department removed the Italian firm Dettin SpA from the SDN List.

Dettin SpA was originally [designated](#) on 29 August 2014 for providing goods and services to Iran's petrochemical industry. A State Department spokesman said that it made the removal in response to the company's petition.

On 19 November 2015, OFAC continued its purge of Cuban entries on the SDN List. Most of these removals are part of OFAC's efforts to reduce the compliance burden of an out-dated SDN List. The removals also included several senior directors and officers of London-based Havin Bank Limited, formerly known as Havana International Bank. These latter removals came at the heels of the second round of talks

[Continued on page 14](#)

between the United States and Cuba regarding the normalisation of their relations.

On 17 November 2015, OFAC removed Yemeni national Nasir Al-Wahishi from the SDN List. Al-Wahishi was originally [designated](#) on 16 July 2010 for his leadership of Al-Qaeda in the Arabian Peninsula. He was [killed](#) in a US air strike on 16 June 2015.

On 13 November 2015, OFAC removed Libyan national Humayd 'Abd-Al-Salam from the SDN List. 'Abd-Al-Salam was originally [designated](#) on 14 February 2012 for assisting the sons of Muammar Qadaffi during a revolt to overthrow the Qadaffi regime. It is not immediately clear why he was removed from the SDN List.

[Back to the top](#)

US Assistant Attorney General Speaks on Sanctions and OFAC Compliance at SIFMA Conference

On 2 November 2015, Assistant Attorney General Leslie R. Caldwell [spoke](#) at a Securities Industry and Financial Markets Association seminar. She emphasised that effective compliance programs are critical because financial institutions are the first line of defence against money laundering and other financial crimes.

In highlighting anti-money laundering and sanctions compliance, she emphasised effective risk-based documentation and being cognisant of US sanctions obligations.

[Back to the top](#)

UN News

1988 Sanctions Committee Adds One Individual to its Sanctions List

On 2 November 2015, the Security Council Committee established pursuant to [Security Council Resolution 1988 \(2011\)](#) issued a [press release](#) announcing the addition of one individual to the Committee's Taliban Sanctions List (the '1988 List') pursuant to paragraph 2 of [Security Council Resolution 2160 \(2014\)](#). The individual is Torek Agha ('Torek').

The Committee [stated](#) that Torek, a senior Taliban leader, was listed for "participating in the financing,

planning, facilitating, preparing or perpetrating of acts or activities by, in conjunction with, under the name of, on behalf of, or in support of' and 'otherwise supporting acts or activities of' those designated and other individuals, groups, undertakings and entities associated with the Taliban in "constituting a threat to the peace, stability and security of Afghanistan".

On 16 November 2015, the EU brought itself in line with the UN by listing Torek, pursuant to

[Continued on page 15](#)

[Council Implementing Regulation \(EU\) 2015/2043](#) and [Council Implementing Decision \(CFSP\) 2015/2054](#), implementing respectively [Council Regulation 753/2011](#) and [Council Decision 2011/486/CFSP](#). The US

listed him as a Specially Designated Global Terrorist in October 2015 (see [Issue 44 of the Sanctions Alert](#)).

The updated 1988 List can be found [here](#).

[Back to the top](#)

UNSC Expands Central African Republic Sanctions

On 20 October 2015, the Security Council, through a unanimously adopted [Presidential Statement](#), reiterated its decision to apply the asset freeze and travel ban contained in [Security Council Resolution 2196 \(2015\)](#) to individuals and entities engaging in or providing support for acts that undermine the peace, stability or security of the Central African Republic.

The Security Council expressed concerns about individuals travelling in the region in violation of the travel bans and observed that individuals who facilitate such travel may also meet the designation criteria for sanctions and be listed themselves.

[Back to the top](#)

Al-Qaeda Sanctions Committee Deletes Three Individuals from its Sanctions List

On 26 October 2015, the Security Council Committee established pursuant to Security Council Resolutions [1267 \(1999\)](#) and [1989 \(2011\)](#), concerning Al-Qaeda and associated individuals and entities, [removed](#) one individual from the Al-Qaeda Sanctions List: Mohammed Ahmed Shawki Islambolly (“Mohammed Ahmed”).

The decision to remove Mohammed Ahmed from the list was taken after considering the delisting requests submitted through the Office of the Ombudsperson, established pursuant to [Security Council Resolution 1904](#), and the Comprehensive Report of the Ombudsperson on the request.

Subsequently, on 12 November 2015, the Security Council Committee [removed](#) two more individuals from the list: Mohamed Amine Akli (“Mohamed Amine”) and Chiheb Ben Mohamed Ben Moktar Al-Ayari (“Chiheb”).

The assets freeze, travel ban and arms embargo set out in paragraph 1 of [Security Council Resolution 2161 \(2014\)](#) no longer apply to Mohammed Ahmed, Mohamed Amine and Chiheb.

The updated Al-Qaeda List can be found [here](#).

[Back to the top](#)

UK News

Court of Appeal Requires Disclosure in Bank Mellat Case

In [*Bank Mellat v HM Treasury \[2015\] EWCA Civ 1052*](#), the Court of Appeal ordered some disclosure in the bank's challenge against its asset freeze. This is notable because the case is being conducted through a so-called "closed material procedure".

Bank Mellat had sought to challenge two statutory instruments that targeted all Iranian banks: the Financial Restrictions (Iran) Order 2011 and the Financial Restrictions (Iran) Order 2012, both created under UK counterterrorism legislation.

On 23 October 2015, the Court of Appeal held that there had to be sufficient disclosure to enable the appellant "to give sufficient instructions not merely to

deny but to refute (in so far as possible) the essential allegations against it". Without such disclosure, the requirements of a fair trial under Article 6, [*European Convention on Human Rights*](#), as established in [*Secretary of State for the Home Department v AF and another \[2009\] UKHL 28*](#) ("AF (No.3)"), would not be met.

It was held that there is "no doubt that the AF (No.3) standard of disclosure would apply" in an asset freezing case, since "restrictions on the freedom to do business or to engage in financial transactions can be as serious for a bank as restrictions on personal liberty for an individual".

[Back to the top](#)

British Man Extradited to US in Syrian Export Charge

Ahmad Feras Diri, a dual citizen of the UK and Syria, was extradited to the US on 12 November 2015. Diri has been [charged](#) with conspiring with his brother and others to evade US export laws and illegally send chemical laboratory equipment to Syria. He had been arrested in London in March 2013 in connection with the pending charges.

The equipment allegedly exported includes portable gas scanners to detect chemical warfare agents, handheld field instruments to detect and classify toxic chemicals, gas masks, industrial engines for use in oil and gas field operations, and a device to locate buried pipelines.

[Back to the top](#)

HMT Publishes Quarterly Report on Counter-Terrorist Asset Freezing Regime

On 6 November 2015, HM Treasury published its [Quarterly Report](#) to Parliament on the Operation of the UK's Counter-Terrorist Asset Freezing Regime for 1 July 2015 to 30 September 2015, as mandated by [UN Security Council Resolution 1373](#).

The Quarterly Report notes that assets worth £39,000 were frozen in the UK during the period pursuant to powers under the [Terrorist Asset-Freezing etc. Act](#)

[2010](#). These assets were held in 45 separate accounts and owned by 30 designated individuals. Further assets worth £11,000 and £50,000 were frozen pursuant to the [EU Council Regulation\(EC\) 2580/2001](#) and [the UN Security Council Resolution 1989 \(2011\)](#), respectively.

[Back to the top](#)

Sanctions Alert

Sanctions Alert is a publication of
[Debevoise & Plimpton LLP](#)

919 Third Avenue
New York, New York 10022
+1 212 909 6000
[www.debevoise.com](#)

Washington, D.C.
+1 202 383 8000

London
+44 20 7786 9000

Paris
+33 1 40 73 12 12

Frankfurt
+49 69 2097 5000

Moscow
+7 495 956 3858

Hong Kong
+852 2160 9800

Shanghai
+86 21 5047 1800

Satish Kini
Editor-in-Chief
+1 202 383 8190
[smkini@debevoise.com](#)

Matthew Getz
Europe Editor
+44 20 7786 5518
[mgetz@debevoise.com](#)

Carl Micarelli
US Editor
+1 212 909 6813
[cmicarelli@debevoise.com](#)

Konstantin Bureiko
Managing Editor
+44 20 7786 5484
[kbureiko@debevoise.com](#)

Raj Krishnan
Assistant Editor
+1 212 909 6510
[rkrishnan@debevoise.com](#)

Sam Oladeinde
Assistant Editor
+44 20 7786 5481
[soladeinde@debevoise.com](#)

Please address inquiries regarding topics covered in this publication to the editors.

All content (c) 2015 Debevoise & Plimpton LLP. All rights reserved. The articles appearing in this publication provide summary information only and are not intended as legal advice. Readers should seek specific legal advice before taking any action with respect to the matters discussed herein. Any discussion of U.S. federal tax law contained in these articles was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax law.

Please note:
The URLs in Sanctions Alert are provided with hyperlinks so as to enable readers to gain easy access to cited materials.