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▶ IRAN SANCTIONS - JOINT COMPREHENSIVE PLAN OF ACTION

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The diplomatic agreement of 14th July 2015 between the E3/EU+3 and the Islamic Republic of Iran opens the way for the restoration of trade activities with Iran by lifting the trade, energy, insurance and banking embargoes that have been incrementally imposed by the European Union and US since 2009.

Full details of the way in which implementation of the agreement will be managed in the EU and US is yet to emerge and is unlikely to do so in the immediate future, but it is clearly intended that all UN Security Council sanctions as well as multilateral and national sanctions related to Iran's nuclear programme will be lifted, subject to the terms of the Joint Comprehensive Plan of Action (JCPOA).

At this early stage in the process it is difficult for the Club to anticipate the timescale by which the current legislation in the EU and US will be repealed or rolled back. It is, however, clear that the prohibition on the provision of insurance or reinsurance to Iran or the Government of Iran, an Iranian legal person, entity or body, or a natural person or a legal person, entity or body acting on their behalf or at their direction will be lifted, and the current prohibition in respect of the transport of oil, petrochemical and gas products will also be lifted.

The JCPOA provides that adoption will occur 90 days after the endorsement of the JCPOA by the UN Security Council or at an earlier date by mutual consent of all JCPOA participants, at which point the JCPOA comes into effect. The EU and its Member States will adopt an EU Regulation, taking effect on the date of implementation, terminating all provisions of the EU Regulation implementing all nuclear-related economic and financial EU sanctions.

In the meantime, the Club advises Members with an interest in trading to Iran to proceed with extreme caution and continue to seek independent advice before committing to trade contracts.

All clubs in the International Group have issued similar circulars.