

(11) Medicine

The term “medicine” has the meaning given the term “drug” in section 321 of title 21.

(12) Shipping

The term “shipping” refers to the transportation of goods by a vessel and related activities.

(13) United States person

The term “United States person” has the meaning given that term in section 8511 of this title.

(14) Vessel

The term “vessel” has the meaning given that term in section 3 of title 1.

(b) Determinations of significance

For purposes of this chapter, in determining if financial transactions or financial services are significant, the President may consider the totality of the facts and circumstances, including factors similar to the factors set forth in section 561.404 of title 31, Code of Federal Regulations (or any corresponding similar regulation or ruling).

(Pub. L. 112-239, div. A, title XII, §1242, Jan. 2, 2013, 126 Stat. 2004.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this subtitle”, meaning subtitle D (§§1241–1255) of title XII of div. A of Pub. L. 112-239, Jan. 2, 2013, 126 Stat. 2004, known as the Iran Freedom and Counter-Proliferation Act of 2012, which is classified principally to this chapter. For complete classification of subtitle D to the Code, see Short Title note set out below and Tables.

The International Emergency Economic Powers Act, referred to in subsec. (a)(6), is title II of Pub. L. 95-223, Dec. 28, 1977, 91 Stat. 1626, which is classified generally to chapter 35 (§1701 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of Title 50 and Tables.

SHORT TITLE

Pub. L. 112-239, div. A, title XII, §1241, Jan. 2, 2013, 126 Stat. 2004, provided that: “This subtitle [subtitle D (§§1241–1255) of title XII of div. A of Pub. L. 112-239, enacting this chapter and section 8514c of this title, amending sections 8513a and 8551 of this title and section 2335 of Title 18, Crimes and Criminal Procedure, and enacting provisions set out as notes under sections 2333 and 2335 of Title 18] may be cited as the ‘Iran Freedom and Counter-Proliferation Act of 2012’.”

§ 8802. Sense of Congress relating to violations of human rights by Iran**(a) Finding**

Congress finds that the interests of the United States and international peace are threatened by the ongoing and destabilizing actions of the Government of Iran, including its massive, systematic, and extraordinary violations of the human rights of its own citizens.

(b) Sense of Congress

It is the sense of Congress that the United States should—

- (1) deny the Government of Iran the ability to continue to oppress the people of Iran and to use violence and executions against pro-democracy protestors and regime opponents;

- (2) fully and publicly support efforts made by the people of Iran to promote the establishment of basic freedoms that build the foundation for the emergence of a freely elected, open, and democratic political system;

- (3) help the people of Iran produce, access, and share information freely and safely via the Internet and through other media; and

- (4) defeat all attempts by the Government of Iran to jam or otherwise obstruct international satellite broadcast signals.

(Pub. L. 112-239, div. A, title XII, §1243, Jan. 2, 2013, 126 Stat. 2005.)

§ 8803. Imposition of sanctions with respect to the energy, shipping, and shipbuilding sectors of Iran**(a) Findings**

Congress makes the following findings:

- (1) Iran’s energy, shipping, and shipbuilding sectors and Iran’s ports are facilitating the Government of Iran’s nuclear proliferation activities by providing revenue to support proliferation activities.

- (2) The United Nations Security Council and the United States Government have expressed concern about the proliferation risks presented by the Iranian nuclear program.

- (3) The Director General of the International Atomic Energy Agency (in this section referred to as the “IAEA”) has in successive reports (GOV/2012/37 and GOV/2011/65) identified possible military dimensions of Iran’s nuclear program.

- (4) The Government of Iran continues to defy the requirements and obligations contained in relevant IAEA Board of Governors and United Nations Security Council resolutions, including by continuing and expanding uranium enrichment activities in Iran, as reported in IAEA Report GOV/2012/37.

- (5) United Nations Security Council Resolution 1929 (2010) recognizes the “potential connection between Iran’s revenues derived from its energy sector and the funding of Iran’s proliferation sensitive nuclear activities”.

- (6) The National Iranian Tanker Company is the main carrier for the Iranian Revolutionary Guard Corps-designated National Iranian Oil Company and a key element in the petroleum supply chain responsible for generating energy revenues that support the illicit nuclear proliferation activities of the Government of Iran.

(b) Designation of ports and entities in the energy, shipping, and shipbuilding sectors of Iran as entities of proliferation concern

Entities that operate ports in Iran and entities in the energy, shipping, and shipbuilding sectors of Iran, including the National Iranian Oil Company, the National Iranian Tanker Company, the Islamic Republic of Iran Shipping Lines, and their affiliates, play an important role in Iran’s nuclear proliferation efforts and all such entities are hereby designated as entities of proliferation concern.

(c) Blocking of property of entities in energy, shipping, and shipbuilding sectors

(1) Blocking of property

(A) In general

On and after the date that is 180 days after January 2, 2013, the President shall block and prohibit all transactions in all property and interests in property of any person described in paragraph (2) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person.

(B) Exception

The requirement to block and prohibit all transactions in all property and interests in property under subparagraph (A) shall not include the authority to impose sanctions on the importation of goods.

(2) Persons described

A person is described in this paragraph if the President determines that the person, on or after the date that is 180 days after January 2, 2013—

(A) is part of the energy, shipping, or shipbuilding sectors of Iran;

(B) operates a port in Iran; or

(C) knowingly provides significant financial, material, technological, or other support to, or goods or services in support of any activity or transaction on behalf of or for the benefit of—

(i) a person determined under subparagraph (A) to be a part of the energy, shipping, or shipbuilding sectors of Iran;

(ii) a person determined under subparagraph (B) to operate a port in Iran; or

(iii) an Iranian person included on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury (other than an Iranian financial institution described in paragraph (3)).

(3) Iranian financial institutions described

An Iranian financial institution described in this paragraph is an Iranian financial institution that has not been designated for the imposition of sanctions in connection with—

(A) Iran's proliferation of weapons of mass destruction or delivery systems for weapons of mass destruction;

(B) Iran's support for international terrorism; or

(C) Iran's abuses of human rights.

(d) Additional sanctions with respect to the energy, shipping, and shipbuilding sectors of Iran

(1) Sale, supply, or transfer of certain goods and services

(A) In general

Except as provided in this section, the President shall impose 5 or more of the sanctions described in section 6(a) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note) with respect to a person if the President determines that the person

knowingly, on or after the date that is 180 days after January 2, 2013, sells, supplies, or transfers to or from Iran goods or services described in paragraph (3).

(B) Exception

The requirement to impose sanctions under subparagraph (A) shall not include the authority to impose sanctions relating to the importation of goods under paragraph (8)(A) or (12) of section 6(a) of the Iran Sanctions Act of 1996, and any sanction relating to the importation of goods shall not count for purposes of the requirement to impose sanctions under subparagraph (A).

(2) Facilitation of certain transactions

Except as provided in this section, the President shall prohibit the opening, and prohibit or impose strict conditions on the maintaining, in the United States of a correspondent account or a payable-through account by a foreign financial institution that the President determines knowingly, on or after the date that is 180 days after January 2, 2013, conducts or facilitates a significant financial transaction for the sale, supply, or transfer to or from Iran of goods or services described in paragraph (3).

(3) Goods and services described

Goods or services described in this paragraph are significant goods or services used in connection with the energy, shipping, or shipbuilding sectors of Iran, including the National Iranian Oil Company, the National Iranian Tanker Company, and the Islamic Republic of Iran Shipping Lines.

(e) Humanitarian exception

The President may not impose sanctions under this section with respect to any person for conducting or facilitating a transaction for the sale of agricultural commodities, food, medicine, or medical devices to Iran or for the provision of humanitarian assistance to the people of Iran.

(f) Exception for Afghanistan reconstruction

The President may provide for an exception from the imposition of sanctions under this section for reconstruction assistance or economic development for Afghanistan—

(1) to the extent that the President determines that such an exception is in the national interest of the United States; and

(2) if the President submits to the appropriate congressional committees a notification of and justification for the exception not later than 15 days before issuing the exception.

(g) Applicability of sanctions to petroleum and petroleum products

(1) In general

Except as provided in paragraph (2), this section shall apply with respect to the purchase of petroleum or petroleum products from Iran only if, at the time of the purchase, a determination of the President under section 8513a(d)(4)(B) of this title that the price and supply of petroleum and petroleum products produced in countries other than Iran is sufficient to permit purchasers of petroleum and petroleum products from Iran to reduce sig-

nificantly their purchases from Iran is in effect.

(2) Exception for certain countries

(A) Exportation

This section shall not apply with respect to the exportation of petroleum or petroleum products from Iran to a country to which the exception under section 8513a(d)(4)(D)(i) of this title applies at the time of the exportation of the petroleum or petroleum products.

(B) Financial transactions

(i) In general

This section shall not apply with respect to a financial transaction described in clause (ii) conducted or facilitated by a foreign financial institution if, at the time of the transaction, the exception under section 8513a(d)(4)(D)(i) of this title applies to the country with primary jurisdiction over the foreign financial institution.

(ii) Financial transactions described

A financial transaction conducted or facilitated by a foreign financial institution is described in this clause if—

(I) the financial transaction is only for trade in goods or services—

(aa) not otherwise subject to sanctions under the law of the United States; and

(bb) between the country with primary jurisdiction over the foreign financial institution and Iran; and

(II) any funds owed to Iran as a result of such trade are credited to an account located in the country with primary jurisdiction over the foreign financial institution.

(h) Applicability of sanctions to natural gas

(1) Sale, supply, or transfer

Except as provided in paragraph (2), this section shall not apply to the sale, supply, or transfer to or from Iran of natural gas.

(2) Financial transactions

This section shall apply to a foreign financial institution that conducts or facilitates a financial transaction for the sale, supply, or transfer to or from Iran of natural gas unless—

(A) the financial transaction is only for trade in goods or services—

(i) not otherwise subject to sanctions under the law of the United States; and

(ii) between the country with primary jurisdiction over the foreign financial institution and Iran; and

(B) any funds owed to Iran as a result of such trade are credited to an account located in the country with primary jurisdiction over the foreign financial institution.

(i) Waiver

(1) In general

The President may waive the imposition of sanctions under this section for a period of not more than 180 days, and may renew that waiver for additional periods of not more than 180 days, if the President—

(A) determines that such a waiver is vital to the national security of the United States; and

(B) submits to the appropriate congressional committees a report providing a justification for the waiver.

(2) Form of report

Each report submitted under paragraph (1)(B) shall be submitted in unclassified form, but may include a classified annex.

(Pub. L. 112-239, div. A, title XII, §1244, Jan. 2, 2013, 126 Stat. 2006.)

§ 8804. Imposition of sanctions with respect to the sale, supply, or transfer of certain materials to or from Iran

(a) Sale, supply, or transfer of certain materials

(1) In general

The President shall impose 5 or more of the sanctions described in section 6(a) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note) with respect to a person if the President determines that the person knowingly, on or after the date that is 180 days after January 2, 2013, sells, supplies, or transfers, directly or indirectly, to or from Iran—

(A) a precious metal;

(B) a material described in subsection (d) determined pursuant to subsection (e)(1) to be used by Iran as described in that subsection;

(C) any other material described in subsection (d) if—

(i) the material is—

(I) to be used in connection with the energy, shipping, or shipbuilding sectors of Iran or any sector of the economy of Iran determined pursuant to subsection (e)(2) to be controlled directly or indirectly by Iran's Revolutionary Guard Corps;

(II) sold, supplied, or transferred to or from an Iranian person included on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury (other than an Iranian financial institution described in subsection (b)); or

(III) determined pursuant to subsection (e)(3) to be used in connection with the nuclear, military, or ballistic missile programs of Iran; or

(ii) the material is resold, retransferred, or otherwise supplied—

(I) to an end-user in a sector described in subclause (I) of clause (i);

(II) to a person described in subclause (II) of that clause; or

(III) for a program described in subclause (III) of that clause.

(2) Exception

The requirement to impose sanctions under paragraph (1) shall not include the authority to impose sanctions relating to the importation of goods under paragraph (8)(A) or (12) of section 6(a) of the Iran Sanctions Act of 1996,