



Re-imposed US sanctions on Iran kick in — what they are, what it means

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Highlights

On May 8, President Donald Trump took the United States out of the nuclear deal between Iran and the P5+1 — formally the Joint Comprehensive Plan of Action (JCPOA) reached in July 2015 and implemented from January 2016 — and announced a phased reimposition of sanctions at the end of two “wind-down” periods of 90 and 180 days.

According to an explanatory document posted on the website of the Treasury Department, updated June 27, the following sanctions will “snap back” starting Tuesday:

- On Iran buying/acquiring US dollars;
- On Iran’s trade in gold/precious metals;
- On direct or indirect sale or supply from or to Iran of graphite, aluminum, steel, coal, software for integrating industrial processes;
- On “significant transactions” related to purchase or sale of Iranian rials, or maintenance of “significant funds or accounts” in rials outside Iran;
- On buying or facilitating the issuance of Iranian sovereign debt; and
- On Iran’s automotive sector.
- The import of Iranian carpets and foodstuffs will also be stopped after Tuesday.

The second wind-down window of 180 days closes on November 4. The additional three months are available to companies in Iran’s energy, infrastructure and financial sectors. Thereafter, sanctions will return on:

- Iranian port, shipping and shipbuilding operations;
- Purchase of petroleum and petroleum products from Iran;
- Transactions by foreign financial institutions with the Iranian central bank and financial institutions;
- Providing underwriting, insurance, or reinsurance services in Iran; and
- Iran’s energy sector.

Impact of sanctions

- The sanctions re-imposed are “extraterritorial” — they apply to not just American individuals and businesses, but to non-American businesses or individuals as well.
- Their aim is to penalise trade and investment activity related to Iran by everyone who is not specifically excluded from the sanctions.
- Many big international companies have shuttered their Iranian businesses already, or are

preparing to do so.

- The European guarantors of the Joint Comprehensive Action Plan(JCPOA) issued a joint statement Monday saying they regretted Trump's decision to pull out of the deal, and Tehran declared that American efforts to isolate Iran had ended up isolating Washington DC, instead.
- The Europeans' statements of outrage notwithstanding, many economists and strategic affairs experts question their ability and determination to stand by Tehran in a direct "with-us-or-against-us" confrontation with the US, more so if that means joining hands with China and Russia.
- Iran's economy, which is heavily dependent on oil exports, has taken a hit since May as companies have called off deals and cancelled investments, and the rial has crashed to half of its April value.
- India's official position so far has been that it can get oil from "anywhere" depending on "geopolitics" and the national interest.

Source: [The Indian Express](#)

