

The Republic of Palau
Palau International Ship Registry

“The Sea Lane to Prosperity”

MARINE CIRCULAR 12-002 United Nations Sanctions Against the Islamic Republic of Iran

To: ALL SHIPOWNERS, MANAGERS, OPERATORS AND MASTERS

Subject: United Nations Sanctions Against the Islamic Republic of Iran

1. Reference

- (a) UNSC Resolution 1737 (2006)
- (b) UNSC Resolution 1747 (2007)
- (c) UNSC Resolution 1803 (2008)
- (d) UNSC Resolution 1929 (2010)
- (e) Marine Circular 12-001

2. Purpose

- 2.1 This Advisory provides information regarding the United Nations sanctions imposed against the Islamic Republic of Iran by United Nations Security Council Resolutions 1737 (2006), 1747(2007), 1803 (2008), and 1929 (2010). This Advisory, also includes guidance on the procedure that vessels registered under the Palau flag vessels should follow in order to comply with the inspection requirements of UNSC 1929 (2010). Marine Circular 12-001 addresses United States sanctions against Iran and should also be reviewed.
- 2.2 United Nations Security Council Resolution 1737 (2006) was adopted on 23 December 2006. This Resolution imposed a set of sanctions against Iran in response to its uranium-enrichment activities. The sanctions against Iran

were reaffirmed and modified by the successive United Nations Security Council Resolutions 1747 (2007), 1803 (2008), and 1929 (2010).

- 2.3 The Republic of Palau is a member of the United Nations and subject to observance of the mandatory United Nations Security Council Resolutions.

3. Information

- 3.1 The United Nations Security Council adopted Resolution 1929 (2010) on 9 June 2010, imposing additional sanctions on Iran, expanding an arms embargo and tightening restrictions on financial and shipping enterprises related to “proliferation-sensitive activities.”

- 3.2 The attention of Owners, Operators and Masters of Palau Registered vessels is directed to the following paragraphs from

- 3.2.1 Resolution 1929 (2010): **Paragraph 8** - prohibiting sale or transfer of conventional weapons using Palau Flag vessels;
- 3.2.2 **Paragraphs 14, 15, 16, and 17** – outlining a new cargo inspection framework;
- 3.2.3 **Paragraph 18** – prohibiting provision of services to certain vessels; and
- 3.2.4 **Paragraph 22** – requiring vigilance when doing business with Iranian firms.

- 3.3 “8. *Decides* that all States shall prevent the direct or indirect supply, sale or transfer to Iran, from or through their territories or by their nationals or individuals subject to their jurisdiction, or using their flag vessels or aircraft, and whether or not originating in their territories, of any battle tanks, armored combat vehicles, large caliber artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems as defined for the purpose of the United Nations Register of Conventional Arms, or related materiel, including spare parts, or items as determined by the Security Council or the Committee established pursuant to resolution 1737 (2006) (“the Committee”), *decides* further that all States shall prevent the provision to Iran by their nationals or from or through their territories of technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of such arms and related materiel, and, in this context, *calls upon* all States to exercise vigilance and restraint over the supply, sale, transfer, provision, manufacture and use of all other arms and related materiel;”

- 3.4 “14. *Calls upon* all States to inspect, in accordance with their national authorities and legislation and consistent with international law, in particular the law of the sea and relevant international civil aviation agreements, all cargo to and from Iran, in their territory, including seaports and airports, if the State concerned has information that provides reasonable grounds to

believe the cargo contains items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution (Res. No. 1929), for the purpose of ensuring strict implementation of those provisions;”

- 3.5 “15. *Notes* that States, consistent with international law, in particular the law of the sea, may request inspections of vessels on the high seas with the consent of the flag State, and *calls upon* all States to cooperate in such inspections if there is information that provides reasonable grounds to believe the vessel is carrying items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution (Res. No.1929), for the purpose of ensuring strict implementation of those provisions;”
- 3.6 “16. *Decides* to authorize all States to, and that all States shall, seize and dispose of (such as through destruction, rendering inoperable, storage or transferring to a State other than the originating or destination States for disposal) items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution (Res. No. 1929) that are identified in inspections pursuant to paragraphs 14 or 15 of this resolution, in a manner that is not inconsistent with their obligations under applicable Security Council resolutions, including resolution 1540 (2004), as well as any obligations of parties to the NPT, and *decides* further that all States shall cooperate in such efforts;”
- 3.7 “17. *Requires* any State, when it undertakes an inspection pursuant to paragraphs 14 or 15 above to submit to the Committee within five working days an initial written report containing, in particular, explanation of the grounds for the inspections, the results of such inspections and whether or not cooperation was provided, and, if items prohibited for transfer are found, *further requires* such States to submit to the Committee, at a later stage, a subsequent written report containing relevant details on the inspection, seizure and disposal, and relevant details of the transfer, including a description of the items, their origin and intended destination, if this information is not in the initial report;”

- 3.8 “18. *Decides* that all States shall prohibit the provision by their nationals or from their territory of bunkering services, such as provision of fuel or supplies, or other servicing of vessels, to Iranian-owned or -contracted vessels, including chartered vessels, if they have information that provides reasonable grounds to believe they are carrying items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution, unless provision of such services is necessary for humanitarian purposes or until such time as the cargo has been inspected, and seized and disposed of if necessary, and *underlines* that this paragraph is not intended to affect legal economic activities;”
- 3.9 “22. *Decides* that all States shall require their nationals, persons subject to their jurisdiction and firms incorporated in their territory or subject to their jurisdiction to exercise vigilance when doing business with entities incorporated in Iran or subject to Iran’s jurisdiction, including those of the Islamic Revolutionary Guard Corps (IRGC) and the Islamic Republic of Iran Shipping Lines (IRISL), and any individuals or entities acting on their behalf or at their direction, and entities owned or controlled by them, including through illicit means, if they have information that provides reasonable grounds to believe that such business could contribute to Iran’s proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems or in violations of resolutions 1737 (2006), 1747 (2007), 1803 (2008) or this resolution;”

4. It should be noted that “items the supply, sale, transfer, or export of which is prohibited” include:

- 4.1 All items, materials, equipment, goods and technology which could contribute to Iran’s enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems. UNSC 1737 (2006) paragraph 3;
- 4.2 Any arms or related material. UNSC 1747 (2007) paragraph 5;
- 4.3 Battle tanks, armored combat vehicles, large caliber artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems or related items, including spare parts. UNSC 1929 (2010) paragraph 8;
- 4.4 Technology or technical assistance related to ballistic missiles capable of delivering nuclear weapons. UNSC 1929 (2010) paragraph 9.

5. The full text of the United Nations Security Council Resolutions is available at:
UNSC 1737 (2006): http://www.un.org/Docs/sc/unsc_resolutions06.htm
UNSC 1747 (2007): http://www.un.org/Docs/sc/unsc_resolutions07.htm

UNSC 1803 (2008): http://www.un.org/Docs/sc/unsc_resolutions08.htm
UNSC 1929 (2010): http://www.un.org/Docs/sc/unsc_resolutions10.htm

6. Requirements:

6.1 Paragraph 15 of Resolution 1929 (2010) requires boarding and inspection to be done with the consent of the Flag State. Therefore,

6.1.1 The inspecting State must first notify and request the consent of the Flag State and provide the circumstances, nature and scope of the information that provides reasonable grounds for inspection.

6.1.2 A vessel registered under the Palau flag that has been contacted by any Member State of the United Nations to inspect the vessel must immediately notify this Flag Administration by email at: technical@palaushipregistry.com

6.1.3 The Administration will quickly review the information and promptly respond to the request and also advise the vessel Owner/Operators with its determination.

6.1.4 If the determination is to allow inspection by the inspecting Member State, the ship Owner/Operator may request the presence of a Flag State Inspector, during the inspection. If appropriate, the Flag Administration may also assign a Flag State Inspector to conduct a special inspection. If the Flag State consents to the inspection and responds to the request of the inspecting Member State, the Owner/Operator of Palau Flag vessel involved will be required to cooperate with the inspection.

6.1.5 In accordance with paragraph 12 of United Nations Security Council Resolution 1929 (2010), if this flag Administration does not consent to the vessel inspection by the United Nations Member State requesting the inspection, then the Palau Flag State will direct the vessel to proceed to an appropriate and convenient port for the required inspection by the local authorities.

7. Owners and Operators should bring the contents of this Advisory to the attention of the Masters of their Palau Flag vessels and instruct them to exercise caution so as to avoid inappropriate incident or inadvertent violation of the sanctions.

8. Point of Contact

8.1 For further information regarding the issuance of this Advisory, please contact Marisabel Arauz Park via telephone at +1 (7281) 876-9533 or via e-mail at technical@palaushipregistry.com