

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Notice to Financial Services Licence Holders International Sanctions

Iran - Nuclear Proliferation

The MFSA brings to the attention of all Financial Services Licence Holders the coming into effect of changes to restrictive measures against Iran. These measures came into force following the implementation of [COUNCIL REGULATION \(EU\) 2015/1861 of 18 October 2015 amending Regulation \(EU\) No 267/2012 concerning restrictive measures against Iran](#) and [COUNCIL IMPLEMENTING REGULATION \(EU\) 2015/1862 of 18 October 2015 implementing Regulation \(EU\) No 267/2012 concerning restrictive measures against Iran](#). The measures adopted through each of these Regulations became effective through [COUNCIL DECISION \(CFSP\) 2016/37 of 16 January 2016](#).

Following the implementation of the above Regulations, economic and financial sanctions in place against Iran in view of its nuclear programme were lifted. The main effects relating to financial and economic measures include the following:

- A number of entities and individuals mentioned in the Annex to [COUNCIL IMPLEMENTING REGULATION \(EU\) 2015/1862](#) were removed from the sanction lists and are therefore no longer subject to restrictive measures. Accordingly assets pertaining to such entities and individuals are no longer subject to freezing requirements and should be released.
- Restrictions relating to transfer of funds to and from Iran were removed with the result that financial transfers between EU based financial Institutions and non-listed Iranian institutions and persons became permissible without any requirement to notify and/or obtain authorisation.
- The provision of banking services including the establishment of correspondent banking relationships and opening of accounts for non-listed Iranian institutions and persons is allowed.
- The opening of branches, subsidiaries or representative offices of non-listed Iranian financial institutions in Member States are now permitted.
- EU based Financial institutions are now allowed to establish subsidiaries, representative offices or branches in Iran including the opening of bank accounts with non-listed Iranian financial or credit institutions.

- The provision of insurance and reinsurance services to non-listed Iranian entities and persons is permitted.

Further detailed information regarding these latest measures can be obtained by referring to the [Joint Comprehensive Plan of Action](#) and [Information Note on EU sanctions to be lifted under the Joint Comprehensive Plan of Action \(JCPOA\)](#).

Nevertheless, the attention of licence holders is drawn to the fact that other restrictive measures targeting Iranian entities and individuals remain in force under Council Regulation (EU) 267/2012 and the Iran (Human Rights) sanctions regime.

These Regulations have immediate effect in Maltese Law and require no implementation measures. The full text can be viewed at the website of the Official Journal of the European Union or on the MFSA website - www.mfsa.com.mt - at “International Sanctions”.

Licence Holders Obligations

The MFSA requires its licence holders to take note of all international sanctions as issued from time to time (including new designations of individuals and entities) and to exercise caution and vigilance in order to ensure that they do not in any way support activities, individuals or entities which are subject to sanctions or other restrictive measures. Licence holders have a legal obligation to comply with international sanctions and to take all steps as may be required for their immediate implementation. They are therefore required to monitor their business relationships and to verify their records on an on-going basis for any information or transactions known or suspected to be connected or related in any manner whatsoever with designated individuals and entities and to identify and freeze any funds, financial assets and economic resources in accordance with the requirements of the sanctions.

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