

Commonwealth of Dominica



Office of the Maritime Administrator

TO: ALL SHIPOWNERS, OPERATORS, MASTERS AND OFFICERS OF MERCHANT SHIPS, MOBILE OFFSHORE DRILLING UNITS AND RECOGNIZED ORGANIZATIONS

SUBJECT: International Sanctions Against the Islamic Republic of Iran

REFERENCE:

- (a) Dominica Maritime Act of 2000, as amended**
- (b) UN Security Council Resolution 1737 (2006)**
- (c) UN Security Council Resolution 1747 (2007)**
- (d) UN Security Council Resolution 1803 (2008)**
- (e) UN Security Council Resolution 1929 (2010)**
- (f) European Union Council Regulation No. 961/2010**
- (g) United States Executive Order 13590 (2011)**

APPLICABILITY: This circular applies to all Owners, Operators, Masters and Vessels under the authority of the Dominica Maritime Administration

PURPOSE:

The purpose of this circular is to provide information concerning various international sanctions imposed against the Islamic Republic of Iran and to provide guidance to owners, operators, and masters regarding necessary measures to comply with national and international law when trading in Iran or with Iranian goods.

BACKGROUND:

United Nations Sanctions Against Iran

The United Nations Security Council (UNSC) has adopted several sanction resolutions imposing a broad range of restrictions against Iran in response to its uranium-enrichment and reprocessing activities as well as its support of international terrorism. The Commonwealth of Dominica is a Member of the United Nations and, as such, subject to all mandatory United Nations Security Council Resolutions.

Member States to the United Nations may board and inspect vessels suspected to operate in violation of UNSC sanctions. All Owners, Operators, and Masters of Dominica flagged vessels are required to obey any and all mandatory United Nations Security Council Resolutions imposing sanctions against Iran.

European Union and United States Sanctions Against Iran

The European Union and the United States have imposed additional sanctions restricting trade with Iran and certain individuals. These restrictions may be required to be complied with by Dominica flagged vessels.

The Commonwealth of Dominica is not a member of the European Union and not responsible for enforcing European Union sanctions. However the European Union holds all individuals, entities and bodies subject to the European Union jurisdiction to the prohibition of "... participation, knowingly and intentionally in activities, the object or effect of which is to circumvent the prohibitions in Article 11, Paragraph 1 of the Regulation [Regulation No. 961/2010]."

Therefore a violation of Dominica Maritime Law could occur as a result of a vessel failing to maintain insurance coverage as required by the International Convention on Civil Liability for Oil Pollution Damage (CLC) which is mandated by the Commonwealth Dominica Maritime Act of 2000, as amended.

The Dominica Maritime Administration accepts P&I Club "Blue Cards" to support Dominica CLC Certificates issued to Dominica flagged vessels. A P&I Club may fall within the scope of the European Union sanctions and may negatively impact or void the vessels insurance coverage. Similarly a Classification society may suspend a vessel's Class due to violation of these sanctions.

The United States has enacted similar comprehensive restrictions against Iran and United States Executive Order 13590 specifically targets non-US entities. In effect, any foreign

entity, regardless of any prior or existing relationship with the United States or any United States entity, that conducts a transaction with Iran or an Iranian entity in contravention of Executive Order 13590 may be subject to United States sanction penalties.

The Commonwealth of Dominica is not responsible for enforcing United States sanctions, however because Executive Order 13590 specifically targets both US and non-US entities a violation of Dominica Maritime Law could occur. Furthermore the US Office of Foreign Assets Control continues to blacklist entities linked to Islamic Republic of Iran Shipping Lines (IRISL) because of proliferation of weapons of mass destruction.

All Owners, Operators, and Masters of Dominica flagged vessels are required to comply with these sanctions, as applicable, and additional guidance is set forth below.

REQUIREMENTS:

Dominica vessels are not strictly prohibited from entering Iranian ports or carriage of Iranian goods. However special precautions must be taken to ensure compliance with applicable international law. It is the responsibility of the vessel Owner to ensure compliance with applicable international law.

Required Action by Owners/Operators

Any vessel wishing to provide goods and/or services to Iran, either directly or indirectly, must first:

1. Contact the Office of the Deputy Maritime Administrator and provide notice regarding the intended commercial activity.
2. If applicable, vessels wishing to make call to any Iranian port must provide a copy of the vessels cargo manifest and/or other pertinent documentation.

Vessel inspection by United Nations Member States under UNSC Resolution 1929

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 under UNSC Resolution 1929.
2. A vessel under the Dominica flag that has been contacted by any Member State of the United Nations to inspect a vessel under this Resolution must immediately notify the Dominica Maritime Administration at technical@dominica-registry.com.
3. The Dominica Administration will review the information and promptly respond to

the request and advise the vessel Owner/Operator with its determination.

4. If the determination of the Administration is to allow inspection by the Member State, the ship Owner/Operator may request the presence of a flag State inspector. If appropriate, the Dominica Maritime Administration may also assign a flag State inspector to conduct a special inspection.
5. In accordance with UNSC 1929, if our Administration does not consent to the vessel inspection by the Member State requesting the inspection, then the Dominica Maritime Administration will direct the Dominica flagged vessel to proceed to an appropriate and convenient port for the required inspection by local authorities.

Administrative Action for Violation of Dominica Law and Regulations

Vessels found in violation of Dominica Law in relation to Iranian sanctions may be subject to the following:

- Revocation and cancellation of vessel's registration;
- detention of the vessel;
- specific restrictions to the vessels movement and trade;
- suspension of the vessel's statutory certificates;
- possible monetary fine up to \$100,000 USD;
- if the Administration conducts an investigation and there is failure on the part of the Owner/Operators, and or Master and crew to cooperate, then it will be considered another related offense for which additional penalty may be imposed.

Related Action in Accordance with Iranian Sanctions

In view of the wide reach of the sanctions imposed by the UNSC, UN, and US it is essential to be vigilant to avoid the risks in contravention of Iranian sanctions. Vessel Owners, Operators, and Masters are to remain aware of the rapidly changing climate with respect of the matter of sanctions against Iran and due care should be exercised to avoid conditions resulting in violation of International and Dominica Law.

Any questions can be directed to:

Registration Department

Tel: + 1 508 992 7170

e-mail: registration@dominica-registry.com

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