



## BIPARTISAN POLICY CENTER

The comprehensive sanctions regime built by the United States over the course of decades is complicated and multi-layered, creating a tangled web that will challenge U.S. efforts to reward Iranian concessions through meaningful sanctions relief. Across all areas – from energy, trade, weapons of mass destruction, support for international terrorism, and human rights abuses – sanctions against Iran take the form of Executive Orders and legislation, some allowing for temporary waivers or suspensions by the White House and some requiring Congressional action for any alteration.

Iran Sanctions Relief			
Appendix A: Sanctions Easing by Jurisdiction			
Sanction	Power to Revoke	Waiver/Exemption Authority	Targets
Export Administration Act (1984)	Congress	Secretary of State and Secretary of the Treasury and – if they cannot agree – the President	Terrorism
Foreign Assistance Act (1985)	Congress	Secretary of State	Foreign Assistance
Antiterrorism and Effective Death Penalty Act (1996)	Congress	President	Foreign Assistance; Terrorism
Iran Sanctions Act (1996)	Congress	President	Energy
Foreign Operations, Export Financing and Related Program Appropriations Act (1997)	Congress	President	Foreign Assistance; WMDs and Conventional Weapons; Financial Sector
Executive Order 13224 (2001)	President	Secretary of State and Secretary of the Treasury	Terrorism
USA Patriot Act Section 311 (2001)	Congress	Secretary of the Treasury	Money Laundering
Executive Order 13382 (2005)	President	Secretary of the Treasury	WMDs
Iran Freedom Support Act (2006)	Congress	President	WMDs and Conventional Weapons
Arms Export Control Act (2008)	Congress	President	Terrorism; Weapons
Executive Order 13553 (2010)	President	Secretary of the Treasury	Human Rights
Comprehensive Iran Sanctions, Accountability and Divestment Act (2010)	Congress	President	Energy; Human Rights; Financial Sector; WMDs and Conventional Weapons; Trade
Iran Nonproliferation Act of 2000 (Renamed the Iran North Korea Syria Nonproliferation Act (2011))	Congress	President	WMDs

Executive Order 13572 (2011)	President	Secretary of the Treasury	Human Rights
FY2012 National Defense Authorization Act (2011)	Congress	President	Money Laundering; Financial Sector
Iran Threat Reduction and Syria Human Rights Act of 2012	Congress	President	Energy; Human Rights; WMDs; Financial Sector; Trade
Executive Order 13599 (2012)	President	-	Financial Sector
Executive Order 13608 (2012)	President	-	Sanctions Evasion
Executive Order 13622 (2012)	President	-	Energy
FY2013 National Defense Authorization Act (2013)	Congress	President	Energy; Financial Sector; Trade

## Appendix B: Mechanisms for Sanctions Relief

U.S. sanctions are a complex mix of legislation and Executive Orders, with different conditions for waiving or repealing. Sanctions relief can be broken down into three broad categories: executive orders that can be unilaterally rescinded by the President, sanctions with the built-in authority for the President or Secretary of State and Secretary of the Treasury to issue time-limited waivers or suspensions, and legislation that can only be altered or revoked by Congressional action.

### Unilateral Executive Action:

With the exception of executive orders that have been codified into legislation or are tied to existing sanctions legislation, the President can unilaterally offer sanctions relief by issuing new executive orders amending or repealing previous ones.

- **Executive Order 13224 (2001):** Declares a national emergency to deal with the terrorist threat following 9/11 and blocks property and prohibits transactions with persons who commit, threaten to commit, or support terrorism
- **Executive Order 13382 (2005):** Blocks property of weapons of mass destruction proliferators and their supporters
- **Executive Order 13553 (2010):** Blocks property of persons with respect to serious human rights abuses by the government of Iran
- **Executive Order 13572 (2011):** Blocks property of persons with respect to human rights abuses in Syria (including the IRGC Quds Force)
- **Executive Order 13599 (2012):** Blocks property of the Government of Iran and Iranian financial institutions
- **Executive Order 13608 (2012):** Blocks the property and suspends entry into the U.S. of certain persons with respect to grave human rights abuses by the Government of Iran and Syria via information technology
- **Executive Order 13622 (2012):** Expands sanctions outlined in the ISA to entities that have purchased oil or petroleum products from Iran, conducted transactions with the National Iranian Oil Company or Naftiran Intertrade Company, or purchased petrochemical products from Iran

### Waivers:

Existing sanctions legislation has a comprehensive system of waivers allowing the President, or the Secretary of State and Secretary of the Treasury, to temporarily waive or suspend sanctions under the

broad mandate of serving U.S. interests, with only the requirement that they report to Congress explaining their decision.

*Waivers in Legislation:*

- **Export Administration Act Sec. 6(j) (1984):** Gives the Secretary of the Treasury, the Secretary of State and, when they cannot come to an agreement, the President the authority to determine the list of state sponsors of terrorism.
- **Foreign Assistance Act Sec. 620(a) (1985):** Gives the Secretary of State authority to grant a one-year waiver on the ban of direct U.S. financial assistance to Iran.
- **Antiterrorism and Effective Death Penalty Act Sec 325-326 (1996):** Allows for waivers on provisions restricting aid to state sponsors of terrorism if the President determines that assistance is important to the national interest of the U.S. and, no later than 15 days before obligating assistance, furnishes a report to Congress (length of waiver not specified).
- **Iran Sanctions Act (1996):**
  - Allows the President to apply waivers from six months to a year on sanctions relating to Iran's energy sector and sanctions related to development of WMDs or other military capabilities, subject to a report to Congress. Waivers may be renewed.
  - Also allows the President the authority to delay the imposition of sanctions with respect to a foreign person in order to consult with the government with primary jurisdiction over that person.
  - Sanctions on Iran's energy sector will be terminated if the President determines and certifies to Congress that Iran has ceased its efforts to obtain nuclear weapons, chemical and biological weapons, ballistic missiles and missile launch technology, has been removed from the list of state sponsors of terrorism, and poses no threat to the U.S. or its allies.
- **Foreign Operations, Export Financing and Related Program Appropriations Act (1997):** The President can waive measures restricting funding to Iran for six months, required that he reports to Congress.
- **Iran Nonproliferation Act of 2000 (Renamed the Iran North Korea Syria Nonproliferation Act (2011)):**
  - The President has the authority to choose to not apply measures outlined in the act, with the requirement that he notify Congress and provide a written justification (that can be classified). Exemptions can be provided if information is presented by the person or the President that they did not knowingly aid Iran's WMD program, that their actions did not materially contribute to Iran's WMD program, that the person is subject to the primary jurisdiction of a government that is an adherent to relevant nonproliferation regimes and their actions were consistent with those regimes, or the government with primary jurisdiction has imposed meaningful penalties.
- **USA Patriot Act Section 311 (2001):** Gives the Secretary of the Treasury the power to determine that a jurisdiction outside of the United States is a money laundering concern.
- **Iran Freedom Support Act (2006):**
  - Codifies executive orders 12957, 12959, and 13059, allowing the President to terminate such sanctions in whole or in part if he notifies Congress 15 days in advance.
  - Allows the President to grant six month waivers on sanctions related to investment in Iran.
- **Arms Export Control Act Sec. 40 (2008):**
  - The President can authorize expenditures if he determines and reports to Congress that suspension of those expenditures causes undue financial hardship to a supplier/shipper and the expenditure will not result in any munitions item being made available for use by a sanctioned country.
  - The Secretary of State may issue a waiver if, after consulting with Congress, they determine that unusual and compelling circumstances justify the transaction.
  - The President can waive restrictions on transactions if he determines that a transaction is essential to US national security interests and submits a report to Congress.
- **Comprehensive Iran Sanctions, Accountability and Divestment Act (2010):**
  - The President may waive sanctions for either energy or weapons-related activity for a period of up to two months, subject a report to Congress. Waiver may be renewed.

- The Secretary of the Treasury may waive the application of sanctions regarding a foreign financial institution subject a report to Congress.
- **FY2012 National Defense Authorization Act Sec. 1245 (2011):**
  - The President may waive sanctions with respect to a foreign financial institution subject to a report to Congress if he finds they have significantly reduced their purchases of crude oil from Iran – an exemption that must be reviewed/renewed every 180 days.
  - The President may waive the imposition of sanctions for a period of not more than 120 days, and may renew that waiver, if he determines that such a waiver is in the national security interest of the US and submits a report to Congress.
- **Iran Threat Reduction and Syria Human Rights Act of 2012:**
  - The President can waive sanctions regarding Iran's energy sector or development of WMDs or other military capabilities for a period of up to one year if he deems it essential to the national security interests of the U.S. and reports to Congress. Waivers can be renewed for an additional one-year period.
  - Also allows the President to waive sanctions related to shipping goods/services that could contribute to Iran's WMD proliferation or support of terrorism if he determines it is vital to national security interests and reports to Congress.
- **FY2013 National Defense Authorization Act (2013):** The President can waive the imposition of sanctions related to Iran's energy, shipping, and shipbuilding sectors as well as trade in precious metals and other goods, sanctions on underwriting and insurance, and sanctions on foreign financial institutions facilitating transactions for a period of not more than 180 days (subject to renewal) if he determines that such a waiver is vital to the national security of the US and submits a report to Congress.

*Waivers in Executive Orders:*

- **Executive Order 13224 (2001):** Allows the Secretary of State, the Secretary of the Treasury, and the Attorney General to take other action than the complete blocking of property of entities determined to support international terrorism if they deem such other actions to be consistent with the national interests of the U.S.
- **Executive Order 13382 (2005):** The Secretary of the Treasury has the power to determine whether or not a person belongs on the annex of those who have materially contributed to the proliferation of WMDs or their means of delivery.
- **Executive Order 13553 (2010):**
  - Extends waiver authority granted to the President under CISADA to the Secretary of the State and the Secretary of the Treasury, in consultation.
  - The Secretary of the Treasury, in consultation with the Secretary of State can determine that circumstance no longer warrant the blocking of property of those listed in the order as being responsible for or complicit in serious human rights abuses by the government of Iran.
- **Executive Order 13572 (2011):** The Secretary of the Treasury, in consultation with the Secretary of State, can determine that circumstances no longer warrant the blocking of property of those responsible for or complicit in human rights abuses in Syria.
- **Executive Order 13606 (2012):** The Secretary of the Treasury, in consultation with the Secretary of State, can determine when circumstances no longer warrant the block of property of those responsible or complicit in human rights abuses by the governments of Iran and Syria via information technology.

**Congressional Action:**

Beyond the Presidents waiver authority, all sanctions passed into legislation require Congressional action to fundamentally alter.

- **Trade Ban:** While originally imposed under Executive Order 12959 (1995), the trade ban was codified by CISADA and would require both Congressional action repealing or amending Sec. 103 of CISADA as well as rescinding related executive orders. Small waiver provisions in CISADA allow the President to license exports to Iran in the name of national interest.

- **Termination of sanctions legislation:** With the exception of the ISA, which has a sunset period set in 2016, sanctions legislation for the most part lacks sunset provisions or grounds for termination – meaning that any termination requires Congressional action.