

# Impact of Economic Sanctions on the Shipping Industry

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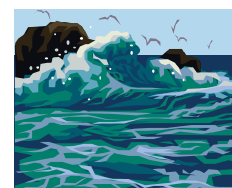
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## The Rocks and Shoals of Sanctions Compliance

- Rapid changes
  - New executive orders and legislation
  - Frequent designations and designations with worldwide impact (Rusal)
- Limited Sanctions
  - Venezuela
  - Russia Sectoral Sanctions
- U.S. secondary sanctions & conflicting laws



## Additional Factors Making Compliance Difficult

- Sanctions as an important foreign policy tool
  - Decision-making elevated to White House
  - Implications for Office of Foreign Assets Control (OFAC)
- Differing “benchmarks” as to what is effective compliance
  - Large versus small companies
  - Primary jurisdiction of company
  - Financial institutions versus commercial businesses
- The role of banks as enforcers of sanctions has grown



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## U.S. Economic Sanctions Laws

- Administered by the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC)
- Country based sanctions: Cuba, Iran, Syria, North Korea, and Crimea region
- List based, targeted, or limited sanctions programs by country or program
- Export control overlap with U.S. Department of Commerce’s Bureau of Industry and Security (BIS)



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# Barred Entity List and Screening

- Specially Designated Nationals and Blocked Persons List (SDN)
  - Implements restrictions on persons and entities under numerous statutes and executive orders
  - Specially Designated Narcotics Trafficker (SDNT)
  - Entities associated with certain embargoed countries
- Entities owned or controlled by an SDN
  - 50% Rule
  - Due diligence issues
- BIS Entity List and Denied Persons List
  - Restricts the export/reexport of goods subject to U.S. jurisdiction to such entities
  - Prohibits any person from using, selling, etc., goods illegally exported

## Specially Designated National (SDN) List & Other Targeted Entities

Name	Address	Type	Program(s)	List	Score
<a href="#">HORMOZ OIL REFINING COMPANY</a>	Next to the Current Bandar Abbas Refinery	Entity	IRAN	Non-SDN	100
<a href="#">PERSIA OIL &amp; GAS INDUSTRY DEVELOPMENT CO.</a>	7th Floor, No. 346, Mirdamad Avenue	Entity	IRAN	Non-SDN	100
<a href="#">PERSIA OIL AND GAS INDUSTRY DEVELOPMENT CO.</a>	7th Floor, No. 346, Mirdamad Avenue	Entity	IRAN	Non-SDN	100
<a href="#">PARS OIL</a>		Entity	IRAN	Non-SDN	100
<a href="#">PARS OIL CO.</a>		Entity	IRAN	Non-SDN	100
<a href="#">COMMERCIAL PARS OIL CO.</a>	9th Floor, No. 346, Mirdamad Avenue	Entity	IRAN	Non-SDN	100
<a href="#">OIL INDUSTRY INVESTMENT COMPANY</a>	No. 83, Sepahbod Gharani Street	Entity	IRAN	Non-SDN	100
<a href="#">OAO ROSNEFT OIL COMPANY</a>	26/1 Sofiyskaya Embankment	Entity	UKRAINE-EO13662	Non-SDN	100
<a href="#">OIL COMPANY ROSNEFT</a>	26/1 Sofiyskaya Embankment	Entity	UKRAINE-EO13662	Non-SDN	100
<a href="#">SHIPPING AGENCIES CO.</a>	Port Said Street, P.O. Box 28	Entity	SYRIA	SDN	100
<a href="#">SYRIAN SHIPPING AGENCIES COMPANY</a>	Port Said Street, P.O. Box 28	Entity	SYRIA	SDN	100
<a href="#">SYRIAN CHAMBER OF SHIPPING</a>	Al Jazaeer Street, Farid Hanna Bldg, 8th Fl., P.O. Box 1731	Entity	SYRIA	SDN	100
<a href="#">STATE SHIPPING COMPANY KERCH SEA FERRY</a>	Tselimbernaya Street 16	Entity	UKRAINE-EO13685	SDN	100
<a href="#">MILENYUM SHIPPING</a>	c/o Milenyum Denizcilik Gemi H., Hizmetleri Ltd. Sti, Nazli Sokak 9, Halilrifatpasa Mah, Sisli	Entity	SYRIA	SDN	100
<a href="#">GREEN SHIPPING LTD.</a>	c/o Milenyum Denizcilik Gemi Hizmetleri Acentelik ve Özel Ogretim Hizmetleri Ltd. Sti, Nazli Sokak 9, Halilrifatpasa Mah, Sisli	Entity	SYRIA	SDN	100
	c/o Milenyum Denizcilik Gemi Hizmetleri				

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