



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

**OFFICE OF FOREIGN ASSETS CONTROL  
BIENNIAL REPORT OF LICENSING ACTIVITIES PURSUANT TO  
THE TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT  
ACT OF 2000**

**October 2012 - September 2014**

**I. Overview**

This report is submitted pursuant to Section 906(c) of the Trade Sanctions Reform and Export Enhancement Act of 2000 (TSRA) and covers activities undertaken by the Treasury Department's Office of Foreign Assets Control (OFAC) under Section 906(a)(1) of the TSRA from October 2012 through September 2014. Under the procedures established in its TSRA-related regulations, OFAC processes license applications requesting authorization to export agricultural commodities, medicine, and medical devices to Iran and Sudan under the licensing regime set forth in Section 906 of the TSRA.

There was a 19.1 percent decrease in the number of license applications received during this reporting period compared to the prior period (3191 for Oct. 2010 – Sept. 2012 and 2583 for Oct. 2012 – Sept. 2014). OFAC was able to issue licensing determinations<sup>1</sup> on 94.8 percent of all the license applications received during the October 2012 – September 2014 period (compared to 94.7 percent for the Oct. 2010 – Sept. 2012 period), and issued additional determinations after the two-year period ended. The average processing time for issuing licenses decreased to 64 business days in this reporting period (compared to 93 days in the Oct. 2010 – Sept. 2012 period), and the average time for issuing licensing determinations decreased to 46 business days during the October 2012 – September 2014 reporting period, versus 75 business days in the preceding reporting period.

**II. Program Operation**

From October 1, 2012, to September 30, 2014, OFAC's Licensing Division received a total of 2583 license applications pursuant to Section 906(a)(1) of the TSRA. During this period, OFAC issued licensing determinations on 2450 of the 2583 license applications. A total of 1332 licenses and 392 license amendments<sup>2</sup> were issued from October 1, 2012, through September 30, 2014 (**See Charts 1 and 2**). On average, licenses were issued within 64 business days and license amendments were issued within 17 business days of receipt of the application. In addition, OFAC issued 393 "return-without-action" letters ("RWA letters") (average turnaround: 19 business days), and 32 denial letters (average turnaround: 210 business days) (**See Graph**

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<sup>1</sup>A "licensing determination" is any action that OFAC takes on a license application. It may take the form of a license, a license amendment, a "return-without-action" letter, a general information letter, a general license guidance letter, an interpretative letter, a denial letter, or a close-out determination.

<sup>2</sup>A "license amendment" is an amendment to an existing license previously issued by OFAC. Some license amendment applications require interagency review, such as adding additional commodities to an existing license.

1). The average number of business days for the Licensing Division to issue a licensing determination in response to submissions to OFAC on any license application under the TSRA regulations was 46 business days.

As in the preceding reporting period, the overwhelming majority of license applications submitted and licenses/license amendments issued was for Iran (**See Chart 3**). OFAC received a total of 2316 (89.7%) license applications for Iran, in contrast to 267 (10.3%) for Sudan. Likewise, 1492 licenses/license amendments (86.5%) were issued for the sale of agricultural commodities, medicine, and medical devices to Iran, versus 232 (13.5%) for Sudan. In keeping with the program's trend, three quarters of the 2583 license applications (75.7%) and over three quarters of the 1724 licenses/license amendments (80.5%) were for the export of medical devices to Iran and Sudan. Of the 2316 license applications for Iran, 351 (15.1%) were for agricultural commodities, 157 (6.8%) for medicine, and 1808 (78.1%) for medical devices. Of the 1492 licenses/license amendments issued for Iran, 157 (10.5%) were for agricultural commodities, 85 (5.7%) for medicine, and 1250 (83.8%) for medical devices. The percentage breakdown of the 267 license applications for Sudan is: 55 (20.6%) for agricultural commodities, 64 (24%) for medicine, and 148 (55.4%) for medical devices. Of the 232 licenses/license amendments issued for Sudan, 42 (18.1%) were for agricultural commodities, 53 (22.8%) for medicine, and 137 (59.1%) for medical devices.

On October 12, 2011, OFAC amended the Sudanese Sanctions Regulations, 31 C.F.R. part 538, and the Iranian Transactions Regulations<sup>3</sup>, 31 C.F.R. part 560, by issuing general licenses that authorize the exportation or reexportation of food to individuals and entities in an area of Sudan other than the Specified Areas of Sudan and in Iran. Certain specified food items, as well as exports to certain persons, requiring a greater level of scrutiny were excluded from the authorization of the general licenses and remained subject to a specific licensing regime. On October 22, 2012, OFAC issued general licenses authorizing the export/reexport of medicines and basic medical supplies to Iran and updated the list of basic medical supplies authorized by this general license on July 25, 2013. On April 7, 2014, OFAC amended the existing general license for basic medical supplies by renaming the category of eligible products as "medical supplies" and by adding additional export/reexport items to this general license. Finally, on April 7, 2014, OFAC also amended the existing Iran general license for food to include the broader category of agricultural commodities. During this reporting period, 385 applications were closed pursuant to these general licenses.

**CHART 1**  
**Number of License Applications and Licenses Issued by Product**

	Agricultural Commodities	Medicine	Medical Devices	TOTAL
<b>License Applications</b>	406	221	1956	<b>2583</b>
<b>Licenses Issued</b>	145	107	1080	<b>1332</b>
<b>License Amendments Issued</b>	54	31	307	<b>392</b>
<b>Applications Denied</b>	2	6	24	<b>32</b>

<sup>3</sup> On October 22, 2012, OFAC published a final rule in the Federal Register, changing the heading of the Iranian Transactions Regulations, 31 C.F.R. part 560, to the Iranian Transactions and Sanctions Regulations, 31 C.F.R. part 560 (ITSR), and amending the renamed ITSR to implement Executive Order 13599 and sections 1245(c) and (d)(1)(B) of the National Defense Authorization Act for Fiscal Year 2012.

**CHART 2**  
**Number of License Applications and Licenses Issued by Country**

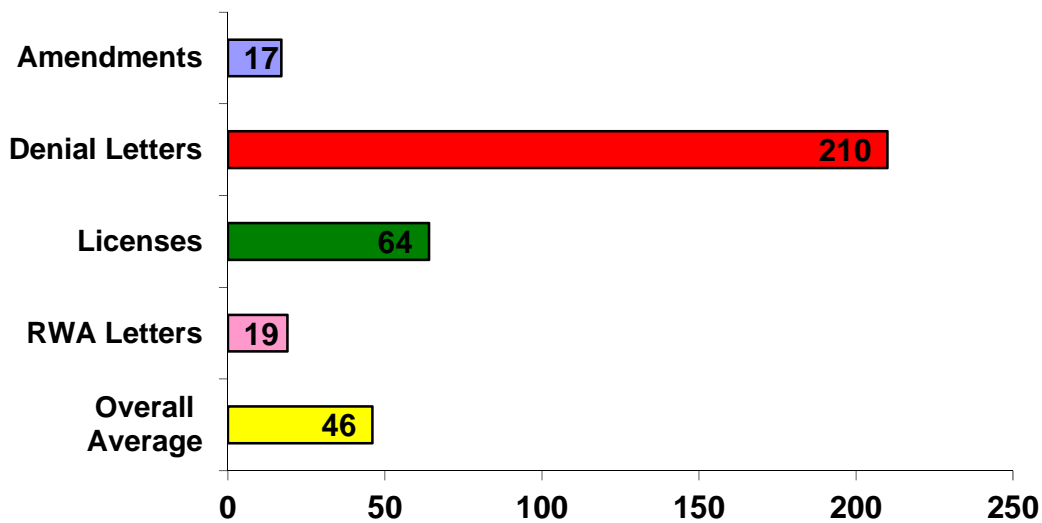
	Iran	Sudan	TOTAL
License Applications	2316	267	2583
Licenses Issued	1149	183	1332
License Amendments Issued	343	49	392
Applications Denied	31	1	32

**CHART 3**  
**Number of License Applications and Licenses Issued by Country and Product**

	Agricultural Commodities	Medicine	Medical Devices	TOTAL
<b>IRAN</b>				
License Applications	351	157	1808	2316
Licenses Issued	111	66	972	1149
License Amendments Issued	46	19	278	343
<b>SUDAN</b>				
License Applications	55	64	148	267
Licenses Issued	34	41	108	183
License Amendments Issued	8	12	29	49

**GRAPH 1**

**Average Processing Time for Issuing Licensing Determinations (Business Days)**



### III. Public Comments

In accordance with Section 906(c)(5) of the TSRA, OFAC published in the *Federal Register* a request for comments on the effectiveness of OFAC's TSRA licensing procedures on December 7, 2015. For the October 2012 – September 2014 reporting period, OFAC received no written comments.