

OFFICE OF FOREIGN ASSETS CONTROL

Global Terrorism Sanctions Regulations

(31 C.F.R. PART 594)

Terrorism Sanctions Regulations

(31 C.F.R. PART 595)

Foreign Terrorist Organizations Sanctions Regulations

(31 C.F.R. PART 597)

**GUIDELINES ON
TRANSACTIONS WITH THE PALESTINIAN AUTHORITY**

Scope: The United States government has concluded that it is in the national interest to authorize U.S. persons to engage in all transactions with the Palestinian Authority in light of the appointment of Prime Minister Salam Fayyad and a slate of ministers who are not affiliated with the designated terrorist group Hamas. Accordingly, OFAC has issued a general license (discussed below) authorizing such transactions. More generally, while OFAC sanctions do not prohibit U.S. persons from providing assistance to, or engaging in business dealings with, undesignated private individuals, corporations, or organizations in the West Bank or Gaza, U.S. persons should be aware that dealings with designated terrorist entities such as Hamas or other designated persons remain prohibited.

General Licenses: On June 20, 2007, OFAC issued General License No. 7, available on OFAC's website, which broadly authorizes U.S. persons to engage in all transactions with the Palestinian Authority as defined therein. General License No. 7 defines Palestinian Authority to mean the Palestinian Authority government of Prime Minister Salam Fayyad and President Mahmoud Abbas, including all branches, ministries, offices, and agencies (independent or otherwise) thereof. General License No. 7 authorizes all transactions with the Palestinian Authority, including all transactions previously authorized by General Licenses Nos. 1-4 and 6. No application is necessary to engage in activities authorized by the General License, nor is any notification to OFAC required.

Specific licenses: Some or all of the activities authorized by existing specific licenses may now be included under General License No. 7. To the extent that General License No. 7 does not cover specifically licensed activities, those licenses remain in effect.