



## Office of Foreign Assets Control

### 31 CFR Part 596

#### Terrorism List Governments Sanctions Regulations

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Final rule.

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**SUMMARY:** The Department of the Treasury's Office of Foreign Assets Control (OFAC) is amending the Terrorism List Governments Sanctions Regulations to implement changes resulting from the Secretary of State's December 14, 2020 rescission of the designation of Sudan as a State Sponsor of Terrorism. Specifically, OFAC is removing one general license in full and amending another general license to remove references to the Government of Sudan and Sudanese nationals because financial transactions with the Government of Sudan are no longer prohibited by the Terrorism List Governments Sanctions Regulations

**DATES:** This rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Licensing, tel.: 202-622-2480; Assistant Director for Regulatory Affairs, tel.: 202-622-4855; or Assistant Director for Sanctions Compliance & Evaluation, tel.: 202-622-2490.

#### **SUPPLEMENTARY INFORMATION:**

##### **Electronic Availability**

This document and additional information concerning OFAC are available on OFAC's website ([www.treasury.gov/ofac](http://www.treasury.gov/ofac)).

## **Background**

On August 12, 1993, in accordance with section 6(j) of the Export Administration Act of 1979, then codified at 50 U.S.C. App. 2405(j), the Secretary of State designated Sudan as a State Sponsor of Terrorism (58 FR 52523, October 8, 1993).

On August 22, 1996, OFAC promulgated the Terrorism List Governments Sanctions Regulations, 31 CFR part 596 (61 FR 43462, August 23, 1996) (the “Regulations”), to implement section 321 of the Antiterrorism and Effective Death Penalty Act of 1996 (18 U.S.C. 2332d).

On July 1, 1998, OFAC issued the Sudanese Sanctions Regulations, 31 CFR part 538 (63 FR 35809, July 1, 1998) (SSR), to implement Executive Order (E.O.) 13067 of November 3, 1997, “Blocking Sudanese Government Property and Prohibiting Transactions With Sudan” (62 FR 59989, November 5, 1997), in which the President declared a national emergency with respect to the policies and actions of the Government of Sudan. To deal with that threat, E.O. 13067 imposed comprehensive trade sanctions with respect to Sudan and blocked all property and interests in property of the Government of Sudan in the United States or within the possession or control of United States persons. The SSR were amended on various occasions to, among other things, implement further Executive orders, including E.O. 13412 of October 13, 2006, “Blocking Property of and Prohibiting Transactions with the Government of Sudan” (71 FR 61369, October 17, 2006), and add additional authorizations.

Effective October 12, 2017, sections 1 and 2 of E.O. 13067 and all of E.O. 13412 were revoked, pursuant to E.O. 13761 of January 13, 2017, “Recognizing Positive Actions by the Government of Sudan and Providing for the Revocation of Certain Sudan-Related Sanctions” (82 FR 5331, January 18, 2017), as amended by E.O. 13804 of July 11, 2017, “Allowing Additional Time for Recognizing Positive Actions by the Government of Sudan and Amending Executive Order 13761” (82 FR 32611, July 14, 2017). Consistent with the revocation of these sanctions authorities, OFAC removed the SSR from the Code of Federal Regulations on June 29, 2018.

Pursuant to section 906 of the Trade Sanctions Reform and Export Enhancement Act of 2000 (22 U.S.C. 7205) (TSRA), following the revocation of the SSR, OFAC authorization was still required for certain exports and reexports to Sudan of agricultural commodities, medicine, and medical devices as a result of Sudan's status as a State Sponsor of Terrorism. Effective October 12, 2017, OFAC issued on its website General License A, which authorized exports and reexports of these items to Sudan. When OFAC revoked the SSR, OFAC simultaneously amended the Regulations to incorporate the provisions of General License A into § 596.506.

On October 26, 2020, consistent with sections 1754(c) and 1768(c) of the National Defense Authorization Act for Fiscal Year 2019 (50 U.S.C. 4813(c) and 4826(c)), the President certified and reported to Congress that the Government of Sudan had not provided any support for acts of international terrorism during the preceding six-month period and that the Government of Sudan had provided assurances that it would not support acts of international terrorism in the future (Presidential Report of October 26, 2020: Certification of Rescission of Sudan's Designation as a State Sponsor of Terrorism). This Certification also satisfied the provisions of section 620A(c)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(c)(2)), section 40(f)(1)(B) of the Arms Export Control Act of 1976 (22 U.S.C. 2780(f)(1)(B)), and, to the extent applicable, section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), as continued in effect by Executive Order 13222 of August 17, 2001, "Continuation of Export Control Regulations." Effective December 14, 2020, based on the considerations contained in the memorandum accompanying the Presidential Report of October 26, 2020 regarding Sudan and in accordance with applicable law, the Secretary of State rescinded Sudan's designation as a State Sponsor of Terrorism (85 FR 82565, December 18, 2020). In accordance with the December 14, 2020 rescission of the designation of Sudan as a State Sponsor of Terrorism, this rule amends the Regulations to remove references to the Government of Sudan and Sudanese nationals in § 596.505 because financial transactions with the Government of Sudan are no longer prohibited by the Regulations, and to remove § 596.506

because section 906 of TSRA no longer imposes licensing requirements on the export of agricultural commodities, medicine, or medical devices to Sudan.

### **Public Participation**

Because the Regulations involve a foreign affairs function, the provisions of E.O. 12866 of September 30, 1993, “Regulatory Planning and Review” (58 FR 51735, October 4, 1993), and the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601–612) does not apply.

### **Paperwork Reduction Act**

The collections of information related to the Regulations are contained in 31 CFR part 501 (the “Reporting, Procedures and Penalties Regulations”). Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been approved by the Office of Management and Budget under control number 1505-0164. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

### **List of Subjects in 31 CFR Part 596**

Administrative practice and procedure, Banks, banking, Credit, Foreign trade, Penalties, Reporting and recordkeeping requirements, Sanctions, Terrorism.

For the reasons set forth in the preamble, OFAC amends 31 CFR part 596 as follows:

### **PART 596—TERRORISM LIST GOVERNMENTS SANCTIONS REGULATIONS**

1. The authority citation for part 596 continues to read as follows:

**Authority:** 18 U.S.C. 2332d; 22 U.S.C. 7201–7211; 31 U.S.C. 321(b).

### **Subpart E—Licenses, Authorizations and Statements of Licensing Policy**

#### **§ 596.505 [Amended]**

2. In § 596.505(a), remove “or the Government of Sudan to Sudanese nationals”.

**§ 596.506 [Removed and Reserved]**

3. Remove and reserve § 596.506.

Dated: May 14, 2021.

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Bradley T. Smith,  
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