

WAIVER DETERMINATIONS

Acting under the authorities vested in me as Secretary of State, including through the applicable delegations of authority, I hereby make the following determinations:

Pursuant to section 1245(d)(5) of the National Defense Authorization Act for FY 2012 (Public Law 112-81, 22 U.S.C. 8513a), as amended (FY 2012 NDAA), I determine that it is in the national security interest of the United States to waive the imposition of sanctions under section 1245(d)(1) of the FY 2012 NDAA with respect to transactions involving certain funds denominated in Iraqi dinar or euro paid into the restricted accounts of Tavanir or the National Iranian Gas Company (NIGC) at the Trade Bank of Iraq ("Restricted Iranian Funds"), and certain related transactions, by:

- (1) the Trade Bank of Iraq, to the extent necessary for the Trade Bank of Iraq to engage in financial transactions denominated in Iraqi dinar or euro with the Central Bank of Iran in connection with the purchase of electricity from Tavanir, excluding any transactions involving a person on the List of Specially Designated Nationals and Blocked Persons other than the Central Bank of Iran; and
- (2) the Trade Bank of Iraq and financial institutions under the primary jurisdiction of Oman, Germany, or France, that are notified directly in writing by the U.S. government, to the extent necessary for the Trade Bank of Iraq and such financial institutions to engage in transactions in connection with the transfer of Restricted Iranian Funds to accounts of Iranian entities established exclusively for use in humanitarian trade, including necessary intermediary bank transactions; excluding any transactions involving a person on the List of Specially Designated Nationals and Blocked Persons other than the Central Bank of Iran, in accordance with written notice from the U.S. government.

Pursuant to sections 1244(i) and 1247(f) of the Iran Freedom and Counter--Proliferation Act of 2012 (subtitle D of title XII of Public Law 112-239, 22 U.S.C. 8801 *et seq.*) (IFCA), I determine that it is vital to the national security of the United States to waive the imposition of sanctions under sections 1244(c)(1) and 1247(a) of IFCA with respect to transactions involving Restricted Iranian Funds, and certain related transactions, by:

- (1) the Trade Bank of Iraq, to the extent necessary for the Trade Bank of Iraq to engage in financial transactions denominated in Iraqi dinar or euro with the Central Bank of Iran in connection with the purchase of electricity from Tavanir, excluding any transactions involving a person on the List of Specially Designated Nationals and Blocked Persons other than the Central Bank of Iran; and
- (2) the Trade Bank of Iraq and financial institutions under the primary jurisdiction of Oman, Germany, or France, that are notified directly in writing by the U.S. government, to the extent necessary for the Trade Bank of Iraq and such financial institutions to engage in transactions in connection with the transfer of Restricted Iranian Funds to accounts of Iranian entities established exclusively for use in humanitarian trade, including necessary intermediary bank transactions; excluding any transactions involving a person on the List of Specially Designated Nationals and Blocked Persons other than the Central Bank of Iran, in accordance with written notice from the U.S. government.

7-17-2023

Date

Antony Blinken

Antony J. Blinken
Secretary of State



Report to Congress on Renewal of Iraq's Sanctions Waiver for Electricity Payments

Pursuant to Section 1245(d)(5) of the National Defense Authorization Act for Fiscal Year 2012, as amended (FY 2012 NDAA), the Secretary of State, in consultation with the Secretary of the Treasury, has determined that it is in the national security interest of the United States to waive for 120 days the imposition of sanctions under Section 1245(d)(1) of the FY 2012 NDAA with respect to the Trade Bank of Iraq (TBI) to the extent necessary for the TBI to engage in financial transactions denominated in Iraqi dinar or euro with the Central Bank of Iran in connection with the purchase of electricity from Tavanir, and for TBI and financial institutions in certain third-country jurisdictions to transfer funds to restricted accounts. Pursuant to Sections 1244(i) and 1247(f) of the Iran Freedom and Counter-Proliferation Act of 2012 (IFCA), the Secretary of State, in consultation with the Secretary of the Treasury, has determined that it is vital to the national security of the United States to waive for 120 days the imposition of sanctions under sections 1244(c)(1) and 1247(a) of IFCA with respect to the TBI, to the extent necessary for the TBI to engage in financial transactions denominated in Iraqi dinar or euro with the Central Bank of Iran in connection with the purchase of electricity from Tavanir, and for TBI and financial institutions in certain third-country jurisdictions to transfer funds to restricted accounts. Transactions involving a person on the List of Specially Designated Nationals and Blocked Persons, other than the Central Bank of Iran, are explicitly excluded from the scope of the waiver.

In light of the considerations detailed in the classified annex to this report, the Secretary determined this waiver is in the national security interest of the United States, and vital to the national security of the United

States, with respect to Iraq, and certifies that this jurisdiction faced exceptional circumstances preventing it from significantly reducing its purchases of petroleum and petroleum products from Iran. Iraq continues to be a critical partner in the region, and its continued concrete political and economic cooperation is expected as a result of this waiver.

The Secretary also certifies that France, Germany, and Oman faced exceptional circumstances preventing them from significantly reducing their purchases of petroleum and petroleum products from Iran. Among its efforts, the Government of Iraq is expected to continue negotiating contracts to install new power generation facilities, expand electricity delivery infrastructure, and increase Iraq's domestic production of natural gas as feedstock for power generation. Further information providing the justification for the waiver is contained in the classified annex accompanying this memorandum.