

The Republic of the Union of Myanmar
Central Committee for Counter Terrorism
Order No. (2/2018)

The 3rd Waning of Second Waso, 1380, M.E.
(30th July 2018)

**Directive on Conducting the relief of financial sanction on the Islamic Republic
of Iran**

1. All United Nations Member States shall conduct financial sanctions on individuals and entities of the Islamic Republic of Iran to eliminate, prevent and deter the proliferation of weapons of mass destruction in accordance with the United Nations Security Council's Resolution- UNSCR 1737(2006) and its successor resolutions- UNSCR 1747 (2007), 1803 (2008) and 1929 (2010). According to the United Nations Security Council's Resolution- UNSCR 1737 (2006), Myanmar has an obligation to comply with the financial sanction in order to freeze the assets and refrain from conducting financial transactions with designated individuals and entities from the Islamic Republic of Iran who involve in Iran's program on the proliferation of weapons of mass destruction and the ballistic missile.
2. The UN sanctions on the Islamic Republic of Iran which were imposed by UNSCR 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008), 1929 (2010) 1984 (2011) and 2224 (2015) has been lifted by the UNSCR 2231 (2015) issued on 20th July 2015. Although UNSCR 2231 (2015) entered into force on 18th January 2016, paragraph 6 (e) of Annex B of UNSCR 2231 (2015) shall remain in effect to freeze the assets of designated individuals or entities under UNSCR 1737 (2006) which is specified as UNSCR 2231 (2015) by all the United Nations Member States. The whole list can be accessed at <http://www/un.org/en/sc/2231/list.shtml>. Moreover, paragraph 6 of Annex B provided that all Member States shall prevent any funds, financial assets or economic resources, or benefits of designated individuals or entities from being made available by their nationals.
3. Exception however is given to the access to the frozen assets necessary for basic expenses, food, payment for a rent or a mortgage, public utility charges, legal professional fees, taxes and a medical treatment in accordance with human rights

principles permitted under national laws. Access to routine expenses for maintenance of frozen assets may be authorized if the State notified the Security Council and has not been rejected within five working days. Moreover, transactions with designated individuals or entities may be carried out for extraordinary expenses, or for a civil nuclear project in accordance with Annex III of the Joint Cooperation Plan of Action or for the subject of a judicial trial occurred prior to the date of adoption of UNSCR 1737 (2006) that is not for the benefit of the designated individuals or entities, or for activities related to the items specified in paragraph 2 of Annex B. In addition, designated individuals or entities may be permitted to make any payment due under a contract entered into their prior listing, while States are certain that the said contract is not related to special provisions stipulated in Annex B, they may notify the Security Council of the intention ten working days prior to such authorization.

4. Moreover, the Financial Action Task Force (FATF) has issued its public statement that identified the Islamic Republic of Iran as jurisdiction that has strategic deficiencies in anti-money laundering and combating the financing of terrorism (AML/CFT). The FATF calls on all Member States and other jurisdictions to apply counter-measures to protect their financial system from money laundering and financing of terrorism (ML/FT) risks emanating from Iran.

5. The reporting entities are, therefore, required to take actions as follows:

- (a) they shall refuse financial transactions with designated individuals and entities under the resolution 2231(2015) list and shall further freeze the funds and assets owned by or controlled by designated individuals and entities under 2231 (2015);
- (b) they shall undertake the risk-based approach in making such transactions and perform the risk assessment in the case which concerns with the UNSCR 2231 (2015) list. When entities residing in Iran or registered in Iran or any high risk individuals or entities conduct financial transactions with individuals or entities listed under UNSCR 2231 (2015), or related to the proliferation of weapons of mass destruction or Iran's nuclear development programme, the reporting entities are required to give special attention to such transactions and the perform customer due

diligence process for the geographical or risk assessment of customers who concern with the State in accordance with the Anti-Money Laundering Law and its Rules. Upon performing risk assessment and if there are no relationships with the proliferation of weapons of mass destruction or Iran's nuclear development program, the reporting entities may conduct normal financial transaction with such individuals and entities.

6. The reporting entities which fail to comply with the customer due diligence process in relation with designated individuals and entities under UNSCR 2231 (2015) shall have action taken under the Anti-Money Laundering Law and the Counter Terrorism Law.

For Chairman

(Police Lieutenant General Aung Win Oo, Secretary)

Central Committee for Counter Terrorism

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