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**Report of the Secretary-General on the implementation of  
Security Council resolution 2231 (2015)****I. Introduction**

1. On 14 July 2015, diplomatic efforts by China, France, Germany, the Russian Federation, the United Kingdom of Great Britain and Northern Ireland, the United States of America and the European Union with the Islamic Republic of Iran culminated in agreement on the Joint Comprehensive Plan of Action. On 20 July, the Security Council adopted resolution 2231 (2015), in which the Council endorsed the Plan and called upon all Member States, regional organizations and international organizations to support its implementation. On 18 October 2015, the date of adoption of the agreement (Adoption Day), the Plan came into effect and its participants began to take steps to implement their commitments.

2. On 16 January 2016, upon the submission by the Director General of the International Atomic Energy Agency (IAEA) to the IAEA Board of Governors, and, in parallel, to the Security Council, of a report confirming that the Islamic Republic of Iran had taken the actions specified in paragraphs 15.1 to 15.11 of annex V to the Joint Comprehensive Plan of Action ([S/2016/57](#), annex), I welcomed the achievement of reaching the day of implementation of the Plan (Implementation Day), a key milestone that reflected the good-faith efforts of all parties to the agreement.

3. On the same day, in line with paragraph 7 of resolution 2231 (2015), with the submission of this IAEA report, all provisions of resolutions 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008), 1929 (2010) and 2224 (2015) were terminated<sup>1</sup> and all the provisions of annex B to resolution 2231 (2015) entered into force. All States are now to comply with paragraphs 1, 2, 4 and 5 and the provisions in paragraphs 6 (a) to (f) of annex B to the resolution for the duration specified therein and are called upon to comply with paragraphs 3 and 7 of annex B to the

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<sup>1</sup> These included the proliferation-sensitive nuclear and ballistic missile programmes-related embargo, the arms embargo, the travel ban and asset freeze, the various financial measures and business restrictions and the ban on the provision of bunkering services. The provisions relating to the mandates of the Committee established pursuant to resolution 1737 (2006) and its Panel of Experts were also terminated on Implementation Day.



resolution.<sup>2</sup> The Security Council requested me to report on the implementation of those provisions every six months.

4. The present report is submitted in fulfilment of that request and the request of the President of the Security Council that I submit a report on the implementation of resolution 2231 (2015), with findings and recommendations (S/2016/44, para. 7).

## II. Key findings and recommendations

5. Six months since Implementation Day, I am encouraged by the implementation by the Islamic Republic of Iran of its nuclear-related commitments under the Joint Comprehensive Plan of Action. The Islamic Republic of Iran continues to provisionally apply the Additional Protocol to its Safeguards Agreement, pending its entry into force, and the transparency measures contained in the Plan. The Agency reported that it was continuing to verify the non-diversion of declared nuclear material, and that its evaluations regarding the absence of undeclared material or activities were ongoing. Since Implementation Day, the Agency has been verifying and monitoring the implementation by the Islamic Republic of Iran of its nuclear-related commitments under the Plan. I call upon Member States to continue to provide support to IAEA so that it may fulfil its mandate under the Plan. In addition, there have been no reports of the supply, sale, transfer or export to the Islamic Republic of Iran of nuclear-related items undertaken contrary to the provisions of the Plan and resolution 2231 (2015).

6. The key practical arrangements for supporting the work of the Security Council and its facilitator for the implementation of resolution 2231 (2015) are in place. In particular, the necessary operational linkages between the Council and the Procurement Working Group of the Joint Commission for the processing of nuclear-related proposals submitted by Member States under the procurement channel have been established, with due regard given to information security and confidentiality. Optional forms in all six official languages of the United Nations are also available for use by Member States.

7. These positive developments notwithstanding, the Islamic Republic of Iran brought to the attention of the Secretariat its view that it has yet to fully benefit from the lifting of multilateral and national sanctions. The concerns raised by the country include issues such as the United States Visa Waiver Program Improvement and Terrorist Travel Prevention Act of 2015 and the confiscation of Central Bank assets following a United States court order. Annex I to the present report reflects the information obtained by the Secretariat in the course of its contacts with Iranian

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<sup>2</sup> These include provisions on nuclear-related transfers, which will apply for up to 10 years, provisions on missile-related transfers and financial measures, including an asset freeze, which will apply for up to 8 years, and provisions on arms-related transfers and a travel ban, which will apply for up to 5 years. In October 2025, provided that the provisions of previous Security Council resolutions have not been reinstated in the event of significant non-compliance with the Joint Comprehensive Plan of Action, all the provisions of resolution 2231 (2015) will be terminated and the Council will have concluded its consideration of the Iranian nuclear issue.

representatives.<sup>3</sup> Implementation challenges exist for any agreement, in particular one as comprehensive and complex as the Joint Comprehensive Plan of Action. I call upon all participants to remain steadfast in their commitment to the full implementation of the agreement and work through challenges in a spirit of cooperation and compromise, good faith and reciprocity. In that regard, I am encouraged by the strong commitments of the European Union and the United States to ensuring that the Plan works for all its participants, including by delivering benefits to the Iranian people.<sup>4</sup>

8. With regard to the implementation of the provisions of annex B to resolution 2231 (2015), I am concerned by the ballistic missile launches conducted by the Islamic Republic of Iran in March 2016. I call upon the Islamic Republic of Iran to refrain from conducting such launches, given that they have the potential to increase tensions in the region. Whereas it is for the Security Council to interpret its own resolutions, I am concerned that those launches are not consistent with the constructive spirit demonstrated by the signing of the Joint Comprehensive Plan of Action.

9. I am also concerned by the reported seizure of an arms shipment by the United States Navy in the Gulf of Oman in March 2016 (see annex II). The United States concluded that the arms had originated in the Islamic Republic of Iran and were likely bound for Yemen. The Islamic Republic of Iran has informed the Secretariat that it never engaged in such delivery (see annex I). I would like to remind all Member States of their obligation to fully implement paragraph 6 (b) of annex B to resolution 2231 (2015), and I call upon them to provide reports on any arms seizures to the Council and to my Office.

10. I wish to draw the attention of the Security Council to the participation of Iranian entities in the Fifth Iraq Defence Exhibition, held in Baghdad in March. No prior approval was requested from the Council for the transfer of arms from the Islamic Republic of Iran to Iraq. The Secretariat has sought clarification from both countries on the issue. The Islamic Republic of Iran has indicated to the Secretariat that, in its view, such an activity did not require prior approval of the Council, given that it retained ownership of the items displayed (see annex I). I recommend that the Council clarify whether paragraph 6 (b) applies to all supply, sale or transfer regardless of change of ownership.

11. An entity on the list established under resolution 2231 (2015)<sup>5</sup> and maintained by the Security Council, the Defence Industries Organisation, also appears to have participated in the exhibition and should have been subject to action under the asset-freeze provisions of the resolution. Likewise, I am informing the Security Council

<sup>3</sup> See also paragraph 6 of the annex to the letter dated 20 July 2015 from the Permanent Representative of the Islamic Republic of Iran to the United Nations addressed to the President of the Security Council, entitled “Statement of the Islamic Republic of Iran following the adoption of United Nations Security Council resolution 2231 (2015) endorsing the Joint Comprehensive Plan of Action” (S/2015/550).

<sup>4</sup> See the “Statement by France, Germany, United Kingdom, United States and the High Representative of the European Union for Foreign Affairs and Security Policy on post-JCPOA business with Iran”, issued on 19 May 2016. Available from [http://eeas.europa.eu/statements-eeas/2016/160519\\_05\\_en.htm](http://eeas.europa.eu/statements-eeas/2016/160519_05_en.htm).

<sup>5</sup> See [www.un.org/en/sc/2231/list.shtml](http://www.un.org/en/sc/2231/list.shtml). Individuals on the list established under resolution 2231 (2015) are subject to the asset freeze and travel ban restrictions. Listed entities are subject to the asset freeze. There are currently 23 individuals and 61 entities listed.

that open-source information indicates that a listed individual, Major General Qasem Soleimani, recently travelled to Iraq. The Secretariat has also sought clarification from the Islamic Republic of Iran and Iraq on those issues, and I intend to report back to the Council accordingly.

12. In its response to queries on the Fifth Iraq Defence Exhibition and the travel by Major General Qasem Soleimani, Iraq informed the Secretariat that it was “fully aware of its obligations according to its understanding regarding resolution 2231 (2015) specifically, operative paragraph 7 (a) and paragraph 18 in annex A, which clearly terminated all previous resolutions and sanctions regime set out in resolutions adopted from 2006-2015”. Furthermore, Iraq stated that resolution 2231 (2015) was “lengthy, technical and confusing”. This demonstrates the importance of further awareness-raising and outreach activities on the provisions of resolution 2231 (2015) and the obligations of Member States.

### **III. Implementation of nuclear-related provisions**

13. In March and June 2016, IAEA issued quarterly reports on its verification and monitoring activities in the Islamic Republic of Iran in the light of resolution 2231 (2015) ([S/2016/250](#) and [S/2016/535](#)). The Agency reported that it was continuing to verify the non-diversion of declared nuclear material and that its evaluations regarding the absence of undeclared nuclear material and activities for the Islamic Republic of Iran were ongoing. The Agency also reported verifying and monitoring the implementation by the Islamic Republic of Iran of its nuclear-related commitments under the Joint Comprehensive Plan of Action. In addition, since 16 January 2016, I have not received any report, nor am I aware of any open-source information, regarding the supply, sale, transfer or export to the Islamic Republic of Iran of nuclear-related items undertaken contrary to the provisions of the Plan and resolution 2231 (2015).

14. In resolution 2231 (2015), the Security Council endorsed the establishment under the Joint Comprehensive Plan of Action of a dedicated procurement channel for the transfer of items, materials, equipment, goods and technology required for the nuclear activities of the Islamic Republic of Iran under the Plan. Through this channel, the Council will review and decide on recommendations from the Joint Commission established under the Plan regarding proposals by States to participate in or permit nuclear-related activities set out in paragraph 2 of annex B to resolution 2231 (2015).

15. Provided that they have obtained prior approval from the Security Council, on a case-by-case basis, all States may now participate in and permit the supply, sale or transfer of dual-use and nuclear items, materials, equipment, goods and technology,<sup>6</sup>

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<sup>6</sup> The items, materials, equipment, goods and technology concerned are those set out in International Atomic Energy Agency (IAEA) documents [INFCIRC/254/Rev.12/Part 1](#) and [INFCIRC/254/Rev.9/Part 2](#), as well as any other items that the State determines could contribute to reprocessing or enrichment-related or heavy water-related activities inconsistent with the Joint Comprehensive Plan of Action.

and the provision of various related services or assistance.<sup>7</sup> States may also permit the acquisition by the Islamic Republic of Iran of an interest in certain commercial nuclear-related activities in another State provided that they have obtained prior approval from the Council.<sup>8</sup> When submitting a proposal to the Council, States are encouraged to use the optional application form and model end-use certification developed by the Procurement Working Group of the Joint Commission available on the Council webpage dedicated to resolution 2231 (2015)<sup>9</sup> and to submit those forms in a machine-readable format. States are also encouraged to send proposals to the Council facilitator for the implementation of resolution 2231 (2015) through their permanent missions to the United Nations.

16. As at the date of submission of the present report, one proposal had been submitted to the Security Council. The proposal, for a temporary export of dual-use items to the Islamic Republic of Iran for the purpose of an exhibit, was subsequently withdrawn.

17. Certain nuclear-related activities do not require prior approval but do require a notification to the Security Council and the Joint Commission. Those activities are, inter alia, those directly related to the necessary modification of two cascades at the Fordow facility for stable isotope production, the export from the Islamic Republic of Iran of enriched uranium in excess of 300 kg in return for natural uranium and the modernization of the Arak reactor. Six exemption notifications were received between July 2015 and January 2016, all in relation to the export of enriched uranium in return for natural uranium. No notifications have been received by the Council since Implementation Day.

18. The restrictions established under paragraph 2 of annex B to resolution 2231 (2015) will apply until October 2025 or until the date on which IAEA submits its report indicating the broader conclusion that all nuclear material in the Islamic Republic of Iran remains in peaceful activities (the “broader conclusion” report),<sup>10</sup> whichever is earlier. Should IAEA submit such a report before October 2025, the requirement to obtain prior approval from the Security Council for nuclear-related activities set out in paragraph 2 of annex B to resolution 2231 (2015) will be replaced by the requirement to notify the Council and the Joint Commission at least 10 working days in advance of such activities.

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<sup>7</sup> The provision to the Islamic Republic of Iran of any technical assistance or training, financial assistance, investment, brokering or other services, and the transfer of financial resources or services, related to the supply, sale, transfer, manufacture or use of the items, materials, equipment, goods and technology described in paragraph 2 (a) of annex B to resolution 2231 (2015).

<sup>8</sup> Activity in another State involving uranium mining or production or use of nuclear materials and technology as listed in IAEA document [INFCIRC/254/Rev.12/Part 1](#), and such investment in territories under their jurisdiction by the Islamic Republic of Iran, its nationals and entities incorporated in the Islamic Republic of Iran or subject to its jurisdiction, or by individuals or entities acting on their behalf or at their direction, or by entities owned or controlled by them.

<sup>9</sup> See [www.un.org/en/sc/2231/restrictions-nuclear.shtml](http://www.un.org/en/sc/2231/restrictions-nuclear.shtml).

<sup>10</sup> In paragraph 6 of resolution 2231 (2015), the Security Council requested that as soon as IAEA has reached the broader conclusion that all nuclear material in the Islamic Republic of Iran remains in peaceful activities, the Director General of IAEA will submit a report confirming that conclusion to the IAEA Board of Governors and, in parallel, to the Security Council.

## IV. Implementation of ballistic missile-related provisions

### A. Restrictions on Iranian ballistic missile-related activities

19. In paragraph 3 of annex B to resolution 2231 (2015), the Security Council called upon the Islamic Republic of Iran not to undertake any activity related to ballistic missiles designed to be capable of delivering nuclear weapons, including launches using such ballistic missile technology. That restriction will apply until October 2023 or until the date on which IAEA submits its “broader conclusion” report, whichever is earlier.

20. Early in March, during military exercises, the Islamic Republic of Iran launched a series of ballistic missiles (see fig. I). According to official Iranian news agencies and a report provided to me by France, Germany, the United Kingdom and the United States, the missiles launched included the Qiam-1 short-range ballistic missile and the Shahab-3 medium-range ballistic missile. Images and video footage released by the Islamic Revolutionary Guard Corps suggest that at least one of the missiles bore an inscription calling for the destruction of Israel. Both missiles are based on Scud liquid-propellant technology and are both capable of delivering a payload of approximately 700 kg, to a range of 700 km for the Qiam-1 and to a range of 1,300 to 2,000 km for the Shahab-3.

Figure I

**Various Iranian ballistic missile launches from undisclosed locations released by the Islamic Revolutionary Guard Corps on 9 March 2016**



Source: Sepah News (official Islamic Revolutionary Guard Corps online news site).

21. In identical letters dated 23 March (S/2016/279), the Islamic Republic of Iran stressed that those launches were not inconsistent with resolution 2231 (2015), given that it had not undertaken “any activity related to ballistic missiles designed to be capable of delivering nuclear weapons”. The country underlined that it had never sought to acquire nuclear weapons and never would, as it fully honoured its commitment under the Treaty on the Non-Proliferation of Nuclear Weapons and the Joint Comprehensive Plan of Action. It noted that the resolution did not prohibit legitimate and conventional military activities and that the language of paragraph 3 of annex B to the resolution was clearly not mandatory.

22. On 28 March, I received a letter from France, Germany, the United Kingdom and the United States in which it was stressed that those launches were destabilizing, provocative and that they had been conducted in defiance of resolution 2231 (2015). Those States underscored that the phrase “ballistic missiles designed to be capable of delivering nuclear weapons” in resolution 2231 (2015) included all Missile Technology Control Regime Category I systems, defined as those capable of delivering at least a 500 kg payload to a range of at least 300 km, which are inherently capable of delivering nuclear weapons and other weapons of mass destruction. Given that the Qiam-1 and Shahab-3 are Category I missiles, those States concluded that the launches of those missiles constituted an “activity related to ballistic missiles designed to be capable of delivering nuclear weapons” and “launches using such ballistic missile technology”, which the Islamic Republic of Iran has been called upon not to undertake pursuant to paragraph 3 of annex B to resolution 2231 (2015).

23. I am aware that the Security Council discussed those launches on 14 March and 1 April. I also recognize that there was no consensus reached among Council members as to whether those launches were covered under resolution 2231 (2015). Whereas it is for the Council to interpret its own resolutions, we must maintain the momentum created by the signing of the Joint Comprehensive Plan of Action, consistent with its constructive spirit. In that regard, I call upon the Islamic Republic of Iran to avoid such ballistic missile launches that have the potential to increase tensions in the region.

## **B. Restrictions on ballistic missile-related transfers or activities with the Islamic Republic of Iran**

24. Since 16 January, pursuant to paragraph 4 of annex B to resolution 2231 (2015), provided that they have obtained prior approval from the Security Council, on a case-by-case basis, all States may participate in and permit the supply, sale or transfer to the Islamic Republic of Iran of certain ballistic missile-related items, materials, equipment, goods and technology<sup>11</sup> and the provision of various services or assistance.<sup>12</sup> Prior approval from the Council is also required for the acquisition by the Islamic Republic of Iran of an interest in certain commercial ballistic missile-related activities.<sup>13</sup>

25. This provision will apply until October 2023 or until the date on which IAEA submits its “broader conclusion” report, whichever is earlier. As at the date of

<sup>11</sup> The items, materials, equipment, goods and technology concerned are those set out in the Missile Technology Control Regime list (S/2015/546, annex) and any items, materials, equipment, goods and technology that the State determines could contribute to the development of nuclear weapon delivery systems.

<sup>12</sup> The provision to the Islamic Republic of Iran of any technical assistance or training, financial assistance, investment, brokering or other services, and the transfer of financial resources or services, related to the supply, sale, transfer, manufacture or use of the items, materials, equipment, goods and technology described in paragraph 4 (a) or related to the activities described in paragraph 3 of annex B to resolution 2231 (2015).

<sup>13</sup> The acquisition by the Islamic Republic of Iran of an interest in any commercial activity in another State related to the supply, sale, transfer, manufacture or use of the items, materials, equipment, goods and technology described in paragraph 4 (a) or related to the activities described in paragraph 3 of annex B to resolution 2231 (2015).

submission of the present report, no proposal had been submitted by Member States to the Security Council pursuant to paragraph 4 of annex B to resolution 2231 (2015). In addition, since 16 January, no information regarding the supply, sale, transfer or export to the Islamic Republic of Iran of ballistic missile-related items undertaken contrary to the provisions of the Joint Comprehensive Plan of Action and resolution 2231 (2015) has been brought to the attention of either the Security Council or myself.

## V. Implementation of arms-related provisions

26. As stipulated in paragraph 5 of annex B to resolution 2231 (2015), provided that they have obtained prior approval from the Security Council, on a case-by-case basis, all States may now participate in and permit the supply, sale or transfer to the Islamic Republic of Iran of any battle tanks, armoured combat vehicles, large-calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems, as defined for the purpose of the United Nations Register of Conventional Arms, or related materiel. Prior approval from the Council is also required for the provision to the Islamic Republic of Iran of various services or assistance relating to the supply, sale, transfer, manufacture, maintenance, or use of those arms and related materiel.<sup>14</sup>

27. The Security Council also decided, in paragraph 6 (b) of annex B to resolution 2231 (2015), that all States were to take the measures necessary to prevent, except as decided otherwise by the Council in advance, on a case-by-case basis, the supply, sale or transfer of arms or related materiel from the Islamic Republic of Iran.

28. Both provisions will apply until October 2020, or until the date on which IAEA submits its “broader conclusion” report, whichever is earlier. As at the date of submission of the present report, no proposals had been submitted by Member States to the Security Council pursuant to paragraphs 5 and 6 (b) of annex B to resolution 2231 (2015).

29. On 7 June, I received a report from the United States providing information on an arms seizure that, in its assessment, had originated in the Islamic Republic of Iran. That information was also communicated to the Security Council and to the Security Council Committee established pursuant to resolution 2140 (2014). Furthermore, open-source information indicated that Iranian entities had participated in and had displayed arms during a foreign defence exhibition. I am also aware of certain media reports that suggest that the Islamic Republic of Iran has been providing arms to Hizbullah.<sup>15</sup> During the reporting period I have received no reports from Member States on such transfers, nor do I have independent information to corroborate the media reports.

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<sup>14</sup> The provision to the Islamic Republic of Iran of technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, manufacture, maintenance, or use of arms and related materiel described in paragraph 5 of annex B to resolution 2231 (2015).

<sup>15</sup> See, for example, “Israel’s main concern in Syria: Iran, not ISIS”, Wall Street Journal, 17 March 2016; and “Lebanese army slowly crushing extremists near Syria border”, Associated Press, 22 June 2016.



### Arms seizure: *Adris*

30. In its report, the United States indicated that it had seized an arms shipment from the Islamic Republic of Iran, which was likely bound for Yemen (see annex II). According to the report, on 28 March, a United States Navy ship boarded a dhow, the *Adris*, which was transiting international waters in the vicinity of the Gulf of Oman. That action, which the United States took in accordance with customary international law, as stated in its report, resulted in the discovery of a large weapons cache aboard the vessel, which included 1,500 Kalashnikov variant rifles, 200 RPG-7 and RPG-7V rocket-propelled grenade launchers and 21 DshK 12.7-mm machine guns (see fig. II). On the basis of an analysis of available information, including interviews with the crew and a review of the arms, the United States concluded that the arms had originated in the Islamic Republic of Iran and that their transfer was being undertaken contrary to paragraph 6 (b) of annex B to resolution 2231 (2015). After the weapons were seized, the dhow and its crew were allowed to depart.

31. The representatives of the Secretariat met with members of the Permanent Mission of the Islamic Republic of Iran to the United Nations, in New York on 8 June, to inform them of this report and, subsequently, wrote to the Permanent Representative of the Islamic Republic of Iran to the United Nations to seek clarification on the shipment. The Islamic Republic of Iran categorically rejected this allegation (see annex I). The Secretariat is still reviewing the information provided by the United States and the Islamic Republic of Iran, and I intend to provide an update on this arms seizure to the Security Council in due course.

Figure II  
Kalashnikov variant rifles, rocket-propelled grenade launchers and machine guns seized on-board the *Adris* on 28 March 2016



Source: United States.

### Arms transfer: Fifth Iraq Defence Exhibition

32. According to open-source information, several Iranian entities participated in the Fifth Iraq Defence Exhibition, held from 5 to 8 March at the Baghdad International Fairground. According to images published by the Islamic Republic News Agency<sup>16</sup> and the Islamic Republic of Iran Broadcasting news agency, items

<sup>16</sup> “Baghdad exhibit featuring the Islamic Republic of Iran defence, military capabilities”, Islamic Republic News Agency, 5 March 2016.

displayed by those entities appeared to include small arms, artillery ammunition and rockets (see fig. III). It is my understanding that such an arms transfer from the Islamic Republic of Iran to Iraq should have required prior approval from the Security Council, pursuant to paragraph 6 (b) of annex B to resolution 2231 (2015). The Secretariat has raised its concerns with the Permanent Missions of the Islamic Republic of Iran and Iraq to the United Nations, in New York, and has invited both Member States to provide further information. Iranian representatives considered that no prior approval was required from the Council for this activity because the Islamic Republic of Iran retained ownership of the items exhibited (see annex I).

Figure III

### Items displayed by Iranian entities during the Fifth Iraq Defence Exhibition



Source: Islamic Republic of Iran Broadcasting news agency (left) and Islamic Republic News Agency (right).

## VI. Asset freeze

33. The Security Council decided, in paragraphs 6 (c) and (d) of annex B to resolution 2231 (2015), that all States were to freeze the funds, other financial assets and economic resources of the individuals and entities on the list established under resolution 2231 (2015) and ensure that no funds, financial assets or economic resources were made available to those individuals and entities. That provision will apply until October 2023 or until the date on which IAEA submits its “broader conclusion” report, whichever is earlier.

34. The list established under resolution 2231 (2015) includes the individuals and entities specified on the list established under resolution 1737 (2006) and maintained by the Security Council Committee established pursuant to resolution 1737 (2006), as at the date of adoption of resolution 2231 (2015), with the exception of 36 individuals and entities specified in the attachment to annex B to resolution 2231 (2015) who were delisted on Implementation Day. As specified in that paragraph, the Council can delist individuals or entities, and list additional individuals and entities, found to meet certain designation criteria defined in the

resolution.<sup>17</sup> On 17 January, the Council decided to delist one entity, Bank Sepah and Bank Sepah International.<sup>18</sup>

35. During the reporting period, it appears that an entity currently on the list established under resolution 2231 (2015), the Defence Industries Organisation, may have participated in the Fifth Iraq Defence Exhibition, which was held in March (see para. 32 and fig. IV). I wish to stress that, pursuant to paragraph 6 (c) of annex B to resolution 2231 (2015), the Iraqi authorities should have frozen all of the entity's funds, other financial assets and economic resources on Iraqi territory at the date of adoption of the Joint Comprehensive Plan of Action or at any time thereafter. This concern was also raised with members of the Permanent Missions of the Islamic Republic of Iran and Iraq to the United Nations by the Secretariat, and both Member States were invited to provide further information. I intend to report back to the Security Council in due course.

Figure IV

**Iranian booth at the Fifth Iraq Defence Exhibition and logo of the Defence Industries Organisation**



*Source:* Still frame of video released by the Islamic Republic of Iran Broadcasting news agency (left) and the website of the Defence Industries Organisation ([www.diomil.ir/en/home.aspx](http://www.diomil.ir/en/home.aspx)) accessed through the Wayback Machine Internet archive (<http://archive.org/web/web.php>) (right).

<sup>17</sup> Pursuant to paragraph 6 (c) of annex B to resolution 2231 (2015), the Council may designate additional individuals and entities for having engaged in, directly associated with or provided support for the proliferation-sensitive nuclear activities of the Islamic Republic of Iran undertaken contrary to its commitments under the Joint Comprehensive Plan of Action or the development of nuclear weapons delivery systems, including through the involvement in procurement of prohibited items, goods, equipment, materials and technology specified in the resolution; having assisted designated individuals or entities in evading or acting inconsistently with the Plan or the resolution; having acted on behalf or at the direction of designated individuals or entities; or having been owned or controlled by designated individuals or entities, including through illicit means.

<sup>18</sup> Security Council, press release of 17 January 2016, entitled "Security Council removes Bank Sepah and Bank Sepah International from 2231 list".

## VII. Travel ban

36. Pursuant to paragraph 6 (e) of annex B to resolution 2231 (2015), all States are to take the measures necessary to prevent the entry into, or transit through, their territories of the individuals on the list established under resolution 2231 (2015) (see para. 34 above).<sup>19</sup> That provision will apply until October 2020 or until the date on which IAEA submits its “broader conclusion” report, whichever is earlier.

37. During the reporting period, it was brought to my attention that at least one listed individual might have engaged in foreign travel. On 25 May, an Iranian news agency reproduced photographs showing the Commander of the Quds Force of the Islamic Revolutionary Guard Corps, Major General Qasem Soleimani, in what was referred to as the “Fallujah operations room” in Iraq (see fig. V).<sup>20</sup> On 27 May, the Ministry of Foreign Affairs of the Islamic Republic of Iran stated that “Iranian military advisers are in Iraq under Major General Qasem Soleimani on the request of the legal government of Iraq”.<sup>21</sup> On 29 May, the Deputy Head of the Iraqi volunteer forces, Abu Mahdi al-Muhandis, who appeared in the same photograph, reportedly stated that General Soleimani’s presence in Iraq was at the request of the Government of Iraq.<sup>22</sup> On 6 June, during a press conference, the Minister for Foreign Affairs of Iraq, while not denying that Major General Soleimani had visited Iraq, emphasized that he had done so as a military adviser.<sup>23</sup> The Secretariat has also raised the matter with members of the Permanent Missions of the Islamic Republic of Iran and Iraq to the United Nations, in New York, and has invited both Member States to provide clarification on the issue. Similarly, I intend to report back to the Security Council in due course.

<sup>19</sup> This provision does not oblige a State to refuse its own nationals entry into its territory.

Furthermore, the travel ban restriction does not apply when the Security Council determines, on a case-by-case basis, that such travel is justified on the grounds of humanitarian need, including religious obligations, or where the Council concludes that an exemption would otherwise further the objectives of resolution 2231 (2015).

<sup>20</sup> Fars News Agency, “Iran’s Gen. Soleimani in Fallujah operations room”, 25 May 2016. Available from <http://en.farsnews.com/imgrep.aspx?nn=13950304001274>.

<sup>21</sup> Ministry of Foreign Affairs of the Islamic Republic of Iran, “Spokesman slams Saudi FM for anti-Iran statements”, 27 May 2016. Available from [www7.irna.ir/en/News/82090143](http://www7.irna.ir/en/News/82090143).

<sup>22</sup> For example, see Tashim News Agency, “General Soleimani in Iraq at Baghdad’s request: Voluntary Force official”, 29 May 2016. Available from [www.tashimnews.com/en/news/2016/05/29/1087056/general-soleimani-in-iraq-at-baghdad-s-request-voluntary-force-official](http://www.tashimnews.com/en/news/2016/05/29/1087056/general-soleimani-in-iraq-at-baghdad-s-request-voluntary-force-official).

<sup>23</sup> Ministry of Foreign Affairs of Iraq, Press conference of the Minister for Foreign Affairs of Iraq and the Head of the Sunni Endowment Dewan, held in Amman on 6 June 2016. Available from [www.mofa.gov.iq/ab/news.php?articleid=856](http://www.mofa.gov.iq/ab/news.php?articleid=856) (in Arabic).

Figure V  
**General Soleimani in the “Fallujah operations room”**



*Source:* Fars News Agency, published on 25 May 2016 with the following caption: “Iraqi Harakat Hezbollah al-Nujaba media group published photos of popular forces operations room showing Iran’s Quds Force Commander Major General Qassem Soleimani discussing Fallujah battle strategies with Badr commander Hadi Al-'Amiri, Nujaba’s Akram Al-Ka'abi and another popular fighters’ commander, Abu Mahdi Al-Muhandis” (General Soleimani is featured on the extreme left).

### **VIII. Secretariat support provided to the Security Council and its facilitator for the implementation of resolution 2231 (2015)**

38. Since the adoption of resolution 2231 (2015), the Security Council Affairs Division of the Department of Political Affairs has devoted considerable effort to putting into place the practical arrangements to support the work of the Council and its facilitator for the implementation of resolution 2231 (2015). The Division has also liaised with the Procurement Working Group of the Joint Commission for the establishment of the procurement channel.

39. Since 16 January, the Division has provided support to the organization and staffing of two informal meetings of the Security Council at the expert level and to an open briefing to inform Member States about the implementation of resolution 2231 (2015). The Division also processed all incoming and outgoing communications relating to implementation of the resolution. To actively promote available information on the restrictions imposed by the Council, including the procurement channel, on the day of the implementation, the Division launched a webpage dedicated to resolution 2231 (2015) on the Council website.<sup>24</sup> In February 2016, documents provided by the Procurement Working Group of the Joint Commission offering practical information to States on the procurement channel were added to the website. Revised versions of those documents were provided by the Working Group in May. In April, the presentations delivered by the Security Council

<sup>24</sup> See [www.un.org/en/sc/2231](http://www.un.org/en/sc/2231).

facilitator for the implementation of resolution 2231 (2015) and representatives of the Working Group during an open briefing were also added.

40. In close cooperation with the Security Council facilitator for the implementation of resolution 2231 (2015) and the Procurement Working Group of the Joint Commission, the Division established the required processes to facilitate the timely translation of proposals and secured electronic transmission and tracking of all proposals submitted by States and all subsequent related communications between Member States, the Security Council and the Joint Commission. The working language of the Joint Commission is English, but Member States may submit proposals to the Security Council in any of the six official languages of the United Nations.

41. The Division has responded to several queries from Member States about the procurement channel, including the procedures for submission of proposals and the review process, exemptions to the channel and confidentiality issues.

## Annex I

### **Information obtained by the Secretariat in the course of its contacts with Iranian representatives\***

#### **A. Allegations**

1. Iran's views on resolution 2231 have been elaborated extensively in its Statement issued following its adoption (document [S/2015/550](#)), which remains valid in full. Accordingly, Iran continues to insist that all sanctions and restrictive measures introduced against Iran including those applied under the pretext of its nuclear programme, have been baseless, unjust and unlawful, hence nothing in the JCPOA shall be construed to imply, directly or indirectly, an admission of or acquiescence by Iran in the legitimacy, validity or enforceability of the sanctions and restrictive measures adopted against Iran by the Security Council, the European Union or its member States, the United States or any other State, nor shall it be construed as a waiver or a limitation on the exercise of any related right the Islamic Republic of Iran is entitled to under relevant national legislation, international instruments or legal principles.

2. At the same time, taking into account the fact that, by acting under Article 41 of the UN Charter, the Council decided to terminate the provisions of all resolutions issued in regard to the Iran's nuclear program, all sanctions and restrictive measures imposed by such resolutions have been removed completely. Measures contained in Annex B of resolution 2231 do not amount to prohibitions or sanctions and solely entail procedures for certain issues for a limited time-frame.

3. In view of the above, attention is drawn to the following:

3.1 In regard to allegation of arms delivery to Yemen, Iran categorically rejects the allegation as it has never engaged in such delivery.

3.2 In relations to the Iraq Defense Exhibition, no supply, sale, or transfer of arms or related materiel which may entail prior approval of the Council has taken place, the items are only exhibited and no change of title or ownership takes place.

#### **B. EU/US' defective implementation of resolution 2231**

Despite U.S. and EU's clear commitments with regard to lifting of sanctions, Iran has not been able to fully benefit from lifting of Sanctions due to a series of deficiencies and/or non-performance on the part of either U.S. or the EU. The following are some examples of the actions taken by them in spite of the resolution and its Annexes:

1. The US Visa Waiver Program Improvement and Terrorist Travel Prevention Act of 2015: Under this Act, nationals of Visa Waiver Program (VWP) countries who have travelled to or been present in Iran from 1 March 2011 or those who are also nationals of Iran are no longer eligible to travel or be admitted to the United States under the VWP. It was announced later that a case by case waiver might be issued for individuals who travelled to Iran for legitimate business-related

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\* The information contained herein is reproduced as received.

purposes following the conclusion of the JCPOA (July 14, 2015). There are no waivers for tourist trips to Iran. The new Act was adopted against several provisions of the JCPOA, including paragraphs 26, 28 and 29. In accordance with paragraph 26 of the JCPOA, the United States is committed to prevent interference with the realization of the full benefit by Iran of the sanctions lifting specified in Annex II. Under Paragraph 28 of the JCPOA, the US is committed to refrain from any action that would undermine its successful implementation. General Provisions of the JCPOA, Paragraph viii, The same has been stipulated in the, which goes as far as stating that the E3/EU+ 3 will refrain from ‘imposing discriminatory regulatory and procedural requirements in lieu of the sanctions and restrictive measures covered by this JCPOA. Also, paragraph 29 of the JCPOA has committed the United States to refrain from any policy specifically intended to directly and adversely affect the normalization of trade and economic relations with Iran.

2. Confiscation of the Central Bank assets following a U.S. court order: Less than 4 months after the JCPOA’s Implementation Day, around US\$ 1.8 billion of Iran Central Bank’s assets were seized following a U.S. court order. The Central Bank does not also have access to another approximately 1.7 billion US\$ of its assets held in Clear stream, Luxemburg, under similar grounds. This unlawful and illegitimate act is inconsistent with the spirit of the JCPOA.

3. Continuing U.S.’ State and local sanctions: In addition to many sanction legislations existed prior to JCPOA, some States and local governments have enacted new divestment legislations and persist in their enforcement of sanctions, even by sending threatening correspondence to foreign banks and companies querying them about their investment in Iranian energy sectors in the post JCPOA era. In accordance with Para 25 of the JCPOA the US shall “actively encourage officials at the state or local level to take into account the changes in the U.S. policy reflected in the lifting of sanctions under this JCPOA and to refrain from actions inconsistent with this change”. Formalistic writing of letters cannot be considered active encouragement.

4. The US Presidential Executive Order 13645 is re-introduced inconsistent with the JCPOA: Executive Order 13645 was supposed to be terminated as of “Implementation Day” consistent with Paragraph 21(xix) of the JCPOA, Paragraph 4 of its Annex II, and Paragraph 17.4 of its Annex V. Although Section I(d) of Executive Order No. 13716 revoked that Executive Order, several parts of the revoked Order including its section 9 to 19 are reintroduced in the Executive Order No.13716. This is not consistent with United States commitment for termination of the Executive Order as well as paragraph 26 of the JCPOA regarding refraining from re-introduction or re-imposition of lifted sanctions.

5. The Inability of the Iranian Central Bank to have free access to its assets held abroad due to the US lack of cooperation in converting those assets into non-US currencies as well as for their transfer, despite the U.S. commitments in this regard under paragraph 21(iv) and paragraphs and 7.2 of Annex IV of JCPOA.

6. Continuing reluctance on the part of non-American banks to do business with Iran due to OFAC’s dissuading behavior, including through settlement agreements that officially bar those banks from re-engaging with Iran.

7. Introducing discriminatory restriction for the sale of dual use items (other than those items in NSG list) to Iran by the EU: A list of items that before the



JCPOA were exported to Iran without an End User Certificate signed by an Iranian Authority, have been added to Annex II of EU Regulation 1861 which necessitates such procedures. This makes the export of these items more difficult than even before the JCPOA.

8. Introduction of authorization regimes for metal and software by the EU: Annexes VIIA and VIIB of Council regulation 1861/2015 lists metal and software that are subject to a new authorization regime which is new restriction, especially when it utilizes negative textual structures such as “the competent authorities shall not grant any authorization...” and broad and obscure restrictive terms and conditions like “... indirect benefit of IRGC” which is very restrictive.

9. Moreover, Iranian civilian aircraft passengers are not still given fuel in some EU destinations. And still we have to wait for cumbersome US sanctions-induced problems in order to execute our agreements and contracts with Airbus and others to buy passenger aircrafts.

Please note that the above problems, deficiencies and defective performances are happening despite the fact that Iran has honored its obligations in full.

## Annex II

### **Report dated 7 June 2016 from the United States of America regarding the implementation of Security Council resolutions 2231 (2015) and 2216 (2015)\***

The United States would like to share information with the Security Council and the Committee established pursuant to resolution 2140 (2014) (“Yemen Sanctions Committee”) regarding a shipment of arms and related material from Iran, which were likely bound for Yemen. This information may be useful to the Facilitator for implementation of Security Council resolution 2231 (2015) (“Facilitator”), the Yemen Sanctions Committee, the Yemen Panel of Experts, and the Secretary General in carrying out their mandates with respect to reported violations of UN Security Council resolutions 2231 (2015) and 2216 (2015).

On March 28, 2016, at 1930Z, the U.S. Navy Coastal Patrol ship USS Sirocco, operating as part of U.S. Naval Forces Central Command, encountered and boarded a dhow transiting international waters in the vicinity of the Gulf of Oman. This action was taken in accordance with customary international law. Following discovery of a large weapons cache found aboard the vessel, the USS Gravely was directed to the scene by U.S. authorities to relieve the USS Sirocco. The USS Gravely took control of the arms cargo.

Paragraph 6(b) of Annex B of resolution 2231 (2015) requires Iran not to supply, sell or transfer directly or indirectly from its territory or by its nationals any arms or related material until the date five years after the JCPOA Adoption Day or until the date on which the IAEA submits a report confirming the Broader Conclusion, whichever is earlier, absent approval in advance on a case-by-case basis by the Security Council. Based on an analysis of available information, including crew interviews and review of the arms aboard the vessel, the United States concluded that the arms originated in Iran and that their transfer from Iran violated paragraph 6(b) of Annex B of resolution 2231. Interviews with the crew revealed strong indications that the arms were being smuggled from Iran. The United States intends to share additional information obtained as a result of the boarding with the Security Council Affairs Division for use in relation to the report by the Secretary-General on the implementation of resolution 2231.

The transfer of these arms to forces acting on the behalf of or at the direction of individuals on the UN Yemen sanctions list would be a violation of paragraph 14 of resolution 2216 (2015).

The cargo seized on board the dhow included 1,500x Kalashnikov variant rifles, 200x RPG-7 and RPG-7V Rocket Propelled Grenade launchers (RPGs), and 21x DshK 12.7mm machine guns. The dhow and its crew were allowed to depart once the weapons were seized.

The United States is concerned that Iran’s exports of weapons continue in violation of Iran’s obligations under Security Council resolution 2231 (2015). Transfers to Yemen in violation of the arms embargo imposed in resolution 2216 (2015) also undermine opportunities to achieve peace in the region and reduce the suffering of the people of Yemen.

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We trust this information will assist the Security Council in promoting implementation of resolution 2231 (2015). In light of the requests made of the Secretary-General in resolution 2231 and [S/2016/44](#), we therefore respectfully request that the Secretary-General report fully and thoroughly Iran's exports of arms in violation of resolution 2231. The United States also encourages the Security Council and the Yemen Sanctions Committee to raise this incident with Iran directly and to review additional ways to improve enforcement of these measures. The United States offers its assistance with any investigation undertaken.

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