



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

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TREASURY TO ISSUE GENERAL LICENSE TO AUTHORIZE TRANSACTIONS WITH SUDAN

Action to be Taken in Conjunction with New Executive Order

WASHINGTON – Today, President Obama signed Executive Order (E.O.) ____ of January 13, 2017, “Recognizing Positive Actions by the Government of Sudan and Providing for the Revocation of Certain Sudan-Related Sanctions.” This E.O. provides for the revocation of the sanctions provisions in E.O.s 13067 and 13412 on July 12, 2017, if the Government of Sudan sustains positive actions it has taken over the last 6 months. In conjunction with the new E.O., the Department of the Treasury’s Office of Foreign Assets Control (OFAC) today is announcing an amendment to the Sudanese Sanctions Regulations (SSR), 31 C.F.R. part 538. This amendment, which will become effective upon publication in the *Federal Register*, will immediately authorize all transactions prohibited by the SSR, as well as by Executive Orders 13067 and 13412. As a result, U.S. persons will generally be able to transact with individuals and entities in Sudan, and the property of the Government of Sudan subject to U.S. jurisdiction will be unblocked.

The actions taken today are an outcome of ongoing engagement between the United States and the Government of Sudan, and the result of sustained progress by the Government of Sudan on several fronts, including a marked reduction in offensive military activity, a pledge to maintain a cessation of hostilities in conflict areas in Sudan, steps toward improving humanitarian access throughout Sudan, and cooperation with the United States on counterterrorism and addressing regional conflicts.

“Treasury’s sanctions are aimed at encouraging a change in behavior, and in the case of Sudan, our sanctions were intended to pressure the Government of Sudan to change the way it treats its people,” said Adam J. Szubin, Acting Under Secretary for Terrorism and Financial Intelligence. “The Executive Order issued by President Obama and the amendment to the Sudanese Sanctions Regulations announced today recognize the positive steps taken by the Government of Sudan

over the past several months and aim to further incentivize the Government of Sudan to continue to improve its conduct.”

The regulatory amendment will be implemented as a general license added at section 538.540 of the SSR, and will authorize U.S. persons to process transactions involving persons in Sudan; to engage in imports and exports that were previously prohibited under the SSR; and to engage in transactions involving property in which the Government of Sudan has an interest. As a result of the amendments to the SSR:

- All property and interests in property blocked pursuant to the SSR will be unblocked.
- All trade between the United States and Sudan that was previously prohibited by the SSR will be authorized.
- All transactions by U.S. persons relating to the petroleum or petrochemical industries in Sudan that were previously prohibited by the SSR will be authorized, including oilfield services and oil and gas pipelines.
- U.S. persons will no longer be prohibited from facilitating transactions between Sudan and third countries, to the extent previously prohibited by the SSR.

The regulatory changes will not impact Sudanese individuals or entities blocked pursuant to E.O. 13400 of April 27, 2006, “Blocking Property of Persons in Connection With the Conflict in Sudan’s Darfur Region,” or any OFAC sanctions authorities other than the SSR, E.O. 13067, and E.O. 13412. The property and interests in property of persons designated pursuant to E.O. 13400 and other E.O.s remain blocked. Additionally, this regulatory change will not eliminate the need to comply with other applicable provisions of law, including the Export Administration Regulations (15 C.F.R. parts 730 through 774) administered by the Bureau of Industry and Security of the Department of Commerce.

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