



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

**OFFICE OF FOREIGN ASSETS CONTROL  
BIENNIAL REPORT OF LICENSING ACTIVITIES PURSUANT TO  
THE TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT  
ACT OF 2000**

**October 2014 - September 2016**

**I. Overview**

This report is submitted pursuant to Section 906(c) of the Trade Sanctions Reform and Export Enhancement Act of 2000 (TSRA) and covers activities undertaken by the Treasury Department's Office of Foreign Assets Control (OFAC) under Section 906(a)(1) of TSRA from October 2014 through September 2016. Under the procedures established in its TSRA-related regulations, OFAC processes license applications requesting authorization to export agricultural commodities, medicine, and medical devices to Iran and Sudan under the licensing regime set forth in Section 906 of TSRA.

The number of license applications received during this reporting period compared to the prior period decreased by 26 percent (2583 applications for Oct. 2012 – Sept. 2014 and 1911 applications for Oct. 2014 – Sept. 2016). OFAC issued licensing determinations<sup>1</sup> on 88.0 percent of all the license applications received during the October 2014 – September 2016 period (compared to 94.8 percent for the Oct. 2012 – Sept. 2014 period), and issued additional determinations after the two-year period ended. The average processing time for issuing a license for these cases was 75 business days in this reporting period (compared to 64 days in the Oct. 2012 – Sept. 2014 period), and the average time for issuing licensing determinations was 53 business days during the October 2014 – September 2016 reporting period, versus 46 business days in the preceding reporting period.

**II. Program Operation**

From October 1, 2014 to September 30, 2016, OFAC's Licensing Division received a total of 1911 license applications pursuant to Section 906(a)(1) of the TSRA. During this period, OFAC issued licensing determinations on 1681 of the 1911 license applications. A total of 740 licenses and 176 license amendments<sup>2</sup> were issued from October 1, 2014 through September 30, 2016 (*See Charts 1 and 2*). On average, licenses were issued within 75 business days and license amendments were issued within 39 business days of receipt of the application. In addition, OFAC issued 460 "return-without-action" letters ("RWA letters") (average turnaround: 29 business days), and 27 denial

---

<sup>1</sup>A licensing determination is defined as any action that OFAC takes on a license application. It may take the form of a license, a license amendment, a "return-without-action" letter, a general information letter, a general license guidance letter, an interpretative letter, or a denial letter.

<sup>2</sup> A "license amendment" is an amendment to an existing license previously issued by OFAC. Some license amendment applications require interagency review, such as adding additional commodities to an existing license.

letters (average turnaround: 190 business days) (*See Graph 1*). OFAC's average processing time for issuing a licensing determination under the TSRA regulations was 53 business days.

As in the preceding reporting period, the overwhelming majority of license applications submitted and licenses/license amendments issued was for Iran (*See Chart 3*). OFAC received a total of 1595 (83.5%) license applications for Iran, in contrast to 316 (16.5%) for Sudan. Likewise, OFAC issued 692 licenses/license amendments (75.5%) for the sale of agricultural commodities, medicine, and medical devices to Iran, versus 224 (24.5%) for Sudan. In keeping with the program's trend, three quarters of the 1911 license applications (1433 or 75%) and over three quarters of the 916 licenses/license amendments (769 or 84%) were for the export of medical devices to Iran and Sudan. Of the 1595 license applications received for Iran, 241 (15.1%) were for agricultural commodities, 108 (6.8%) for medicine, and 1246 (78.1 %) for medical devices. Of the 692 licenses/license amendments issued for Iran, 37 (5.3%) were for agricultural commodities, 37 (5.3%) for medicine, and 618 (89.3 %) for medical devices. The percentage breakdown of the 316 license applications received for Sudan is: 62 (19.6%) for agricultural commodities, 67 (21.2%) for medicine, and 187 (59.2%) for medical devices. Of the 224 licenses/license amendments issued for Sudan, 25 (11.2%) were for agricultural commodities, 48 (21.4%) for medicine, and 151 (67.4%) for medical devices.

### CHART 1

#### Number of License Applications and Licenses Issued by Product

	Agricultural Commodities	Medicine	Medical Devices	TOTAL
License Applications	303	175	1433	1911
Licenses Issued	51	62	627	740
License Amendments Issued	11	23	142	176
Applications Denied	2	1	24	27

### CHART 2

#### Number of License Applications and Licenses Issued by Country

	Iran	Sudan	TOTAL
License Applications	1595	316	1911
Licenses Issued	556	184	740
License Amendments Issued	136	40	176
Applications Denied	26	1	27

### CHART 3

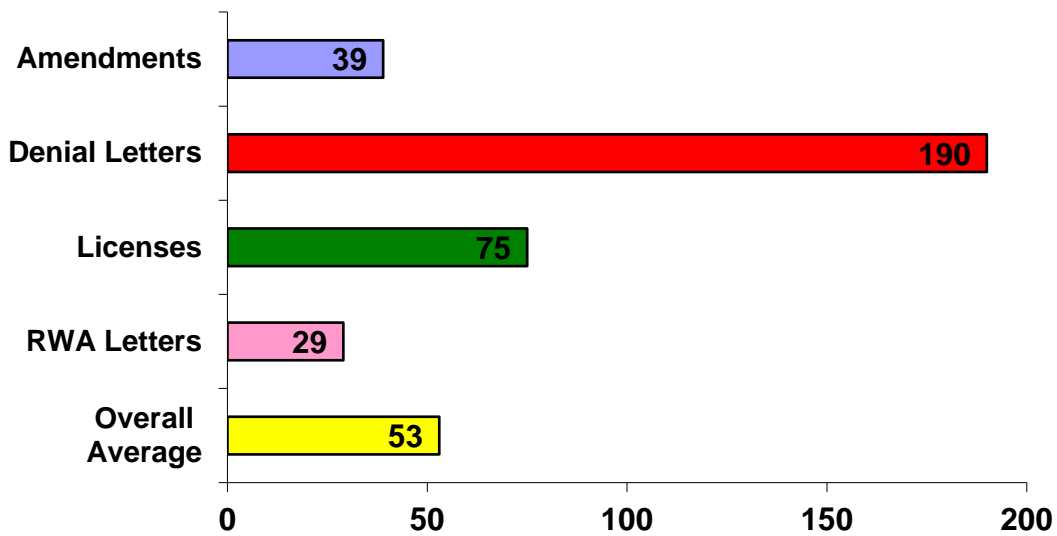
#### Number of License Applications and Licenses Issued by Country and Product

	Agricultural Commodities	Medicine	Medical Devices	TOTAL
<b>IRAN</b>				
License Applications	241	108	1246	1595
Licenses Issued	29	28	499	556

License Amendments Issued	8	9	119	<b>136</b>
<b>SUDAN</b>				
License Applications	62	67	187	<b>316</b>
Licenses Issued	22	34	128	<b>184</b>
License Amendments Issued	3	14	23	<b>40</b>

GRAPH 1

### Average Processing Time for Issuing Licensing Determinations (Business Days)



### III. Public Comments

In accordance with Section 906(c)(5) of the TSRA, OFAC published in the *Federal Register* a request for comments on the effectiveness of OFAC’s TSRA licensing procedures on March 22, 2018. For the October 2014 – September 2016 reporting period, OFAC received one written comment.

The public comment received highlights difficulties in using the financial mechanisms in place for making payments related to transactions authorized pursuant to TSRA. OFAC continually evaluates and updates its procedures in order to successfully implement this program.