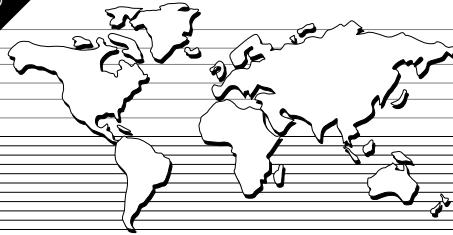




U.S. Department of the Treasury
Office of Foreign Assets Control



SUDAN

An Overview of U.S. Sanctions

On November 3, 1997, President Clinton issued Executive Order 13067 imposing a trade embargo against Sudan and a total asset freeze against the Government of Sudan:

“By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3, United States Code,

I, WILLIAM J. CLINTON, President of the United States of America, find that the policies and actions of the Government of Sudan, including continued support for international terrorism; ongoing efforts to destabilize neighboring governments; and the prevalence of human rights violations, including slavery and the denial of religious freedom, constitute an unusual and extraordinary threat to the national security and foreign policy of the United States, and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. Except to the extent provided in section 203(b) of IEEPA (50 U.S.C. 1702(b)) and in regulations, orders, directives, or licenses that may be issued pursuant to this order, all property and interests in property of the Government of Sudan, that are in the United States, that hereafter come within the United States, or that hereafter come within the possession or control of United States persons, including their overseas branches, are blocked.

Section 2. The following are prohibited, except to the extent provided in section 203(b) of IEEPA (50 U.S.C. 1702(b)) and in regulations, orders, directives, or licenses that may be issued pursuant to this order:

- (a) the importation into the United States of any goods or services of Sudanese origin, other than information or informational materials;
- (b) the exportation or reexportation, directly or indirectly, to Sudan of any goods, technology (including technical data, software, or other information), or services from the United States or by a United States person, wherever located, or requiring the issuance of a license by a Federal agency, except for donations of articles intended to relieve human suffering, such as food, clothing, and medicine;
- (c) the facilitation by a United States person, including but not limited to brokering activities, of the exportation or reexportation of goods, technology, or services from Sudan to any destination, or to Sudan from any location;
- (d) the performance by any United States person of any contract, including a financing contract, in support of an industrial, commercial, public utility, or governmental project in Sudan;
- (e) the grant or extension of credits or loans by any United States person to the Government of Sudan;
- (f) any transaction by a United States person relating to transportation of cargo to or from Sudan; the provision of transportation of cargo to or from the United States by any Sudanese person or any vessel or aircraft of Sudanese registration; or the sale in the United States by any person holding authority under subtitle 7 of title 49, United States Code, of any transportation of cargo by air that includes any stop in Sudan; and
- (g) any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order.

Section 3. Nothing in this order shall prohibit:

- (a) transactions for the conduct of the official business of the Federal Government or the United Nations by employees thereof; or
- (b) transactions in Sudan for journalistic activity by persons regularly employed in such capacity by a news-gathering organization.

Section 4. For the purposes of this order:

- (a) the term ‘person’ means an individual or entity;
- (b) the term ‘entity’ means a partnership, association, trust, joint venture, corporation, or other organization;

(c) the term 'United States person' means any United States citizen, permanent resident alien, entity organized under the laws of the United States (including foreign branches), or any person in the United States;

(d) the term 'Government of Sudan' includes the Government of Sudan, its agencies, instrumentalities and controlled entities, and the Central Bank of Sudan.

Section 5. The Secretary of the Treasury, in consultation with the Secretary of State and, as appropriate, other agencies, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to me by IEEPA, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

Section 6. Nothing contained in this order shall create any right or benefit, substantive or procedural, enforceable by any party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Section 7. (a) This order shall take effect at 12:01 a.m. eastern standard time on November 4, 1997, except that trade transactions under contracts in force as of the date of this order may be performed pursuant to their terms through 12:01 a.m. eastern standard time on [30 days from effective date], and letters of credit and other financing agreements for such underlying trade transactions may be performed pursuant to their terms.

(b) This order shall be transmitted to the Congress and published in the *Federal Register*."

[The following are considered owned or controlled by the Government of Sudan. Their assets are blocked pursuant to the Executive Order:

AFRICAN DRILLING COMPANY, Khartoum, Sudan

AGRICULTURAL BANK OF SUDAN, P.O. Box 1363, Khartoum, Sudan

AMIN EL GEZAI COMPANY (a.k.a. EL AMIN EL GEZAI COMPANY), Khartoum, Sudan

AUTOMOBILE CORPORATION, Khartoum, Sudan

BANK OF KHARTOUM (a.k.a. BANK OF KHARTOUM GROUP), P.O. Box 1008, Khartoum, Sudan; P.O. Box 312, Khartoum, Sudan; P.O. Box 880, Khartoum, Sudan; P.O. Box 2732, Khartoum, Sudan; P.O. Box 408, Barlaman Ave., Khartoum, Sudan; P.O. Box 67, Omdurman, Sudan; P.O. Box 241, Port Sudan, Sudan; P.O. Box 131, Wad Medani, Sudan; Abu Hammad, Sudan; Abugaouta, Sudan; Assalaya, Sudan; P.O. Box 89, Atbara, Sudan; Berber, Sudan; Dongola, Sudan; El Daba, Sudan; El Dain, Sudan; El Damazeen, Sudan; El Damer, Sudan; El Dilling, Sudan; El Dinder, Sudan; El Fashir, Sudan; El Fow, Sudan; El Gadarit, Sudan; El Garia, Sudan; El Ghadder, Sudan; El Managil, Sudan; El Mazmoum, Sudan; P.O. Box 220, El Obeid, Sudan; El Rahad, Sudan; El Roseirs, Sudan; El Suk el Shabi, Sudan; Halfa el Gadida, Sudan; Karima, Sudan; Karkoug, Sudan; Kassala, Sudan; Omdurman P.O. Square, P.O. Box 341, Khartoum, Sudan; Sharia el Barlaman, P.O. Box 922, Khartoum, Sudan; Sharia el Gama'a, P.O. Box 880, Khartoum, Sudan; Sharia el Gamhoria, P.O. Box 312, Khartoum, Sudan; Sharia el Murada, Khartoum, Sudan; Tayar Murad, P.O. Box 922, Khartoum, Sudan; Suk el Arabi, P.O. Box 4160, Khartoum, Sudan; University of Khartoum, Khartoum, Sudan; P.O. Box 12, Kost, Sudan; P.O. Box 135, Nyala, Sudan; Rabak, Sudan; Rufaa, Sudan; Sawakin, Sudan; Shendi, Sudan; Singa, Sudan; Tamboul, Sudan; Tandalti, Sudan; Tokar, Sudan; Wadi Halfa, Sudan

BANK OF KHARTOUM GROUP (a.k.a. BANK OF KHARTOUM), P.O. Box 1008, Khartoum, Sudan; P.O. Box 312, Khartoum, Sudan; P.O. Box 880, Khartoum, Sudan; P.O. Box 2732, Khartoum, Sudan; P.O. Box 408, Barlaman Ave., Khartoum, Sudan; P.O. Box 67, Omdurman, Sudan; P.O. Box 241, Port Sudan, Sudan; P.O. Box 131, Wad Medani, Sudan; Abu Hammad, Sudan; Abugaouta, Sudan; Assalaya, Sudan; P.O. Box 89, Atbara, Sudan; Berber, Sudan; Dongola, Sudan; El Daba, Sudan; El Dain, Sudan; El Damazeen, Sudan; El Damer, Sudan; El Dilling, Sudan; El Dinder, Sudan; El Fashir, Sudan; El Fow, Sudan; El Gadarit, Sudan; El Garia, Sudan; El Ghadder, Sudan; El Managil, Sudan; El Mazmoum, Sudan; P.O. Box 220, El Obeid, Sudan; El Rahad, Sudan; El Roseirs, Sudan; El Suk el Shabi, Sudan; Halfa el Gadida, Sudan; Karima, Sudan; Karkoug, Sudan; Kassala, Sudan; Omdurman P.O. Square, P.O. Box 341, Khartoum, Sudan; Sharia el Barlaman, P.O. Box 922, Khartoum, Sudan; Sharia el Gama'a, P.O. Box 880, Khartoum, Sudan; Sharia el Gamhoria, P.O. Box 312, Khartoum, Sudan; Sharia el Murada, Khartoum, Sudan; Tayar Murad, P.O. Box 922, Khartoum, Sudan; Suk el Arabi, P.O. Box 4160, Khartoum, Sudan; University of Khartoum, Khartoum, Sudan; P.O. Box 12, Kost, Sudan; P.O. Box 135, Nyala, Sudan; Rabak, Sudan; Rufaa, Sudan; Sawakin, Sudan; Shendi, Sudan; Singa, Sudan; Tamboul, Sudan; Tandalti, Sudan; Tokar, Sudan; Wadi Halfa, Sudan

BANK OF SUDAN, Sharia El Gamaa, P.O. Box 313, Khartoum, Sudan; Atbara, Sudan; P.O. Box 27, El Obeid, Sudan; P.O. Box 136, Juba, Sudan; P.O. Box 73, Kost, Sudan; Nyala, Sudan; P.O. Box 34, Port Sudan, Sudan; Wad Medani, Sudan; Wau, Sudan

BLUE NILE PACKING CORPORATION, P.O. Box 385, Khartoum, Sudan

COPTRADE COMPANY LIMITED (PHARMACEUTICAL AND CHEMICAL DIVISION), P.O. Box 246, Khartoum, Sudan; Port Sudan, Sudan

EL AMIN EL GEZAI COMPANY (a.k.a. AMIN EL GEZAI COMPANY), Khartoum, Sudan

EL GEZIRA AUTOMOBILE COMPANY (a.k.a. GEZIRA AUTOMOBILE COMPANY), P.O. Box 232, Khartoum, Sudan

EL NILEIN BANK (n.k.a. EL NILEIN INDUSTRIAL DEVELOPMENT BANK {SUDAN}; n.k.a. EL NILEIN INDUSTRIAL DEVELOPMENT BANK GROUP; n.k.a. NILEIN INDUSTRIAL DEVELOPMENT BANK {SUDAN}), P.O. Box 466/1722, United Nations Square, Khartoum, Sudan; Parliament Street, P.O. Box 466, Khartoum, Sudan; P.O. Box 6013, Abu Dhabi City, United Arab Emirates

EL NILEIN INDUSTRIAL DEVELOPMENT BANK (SUDAN) (a.k.a. EL NILEIN INDUSTRIAL DEVELOPMENT BANK GROUP; a.k.a. NILEIN INDUSTRIAL DEVELOPMENT BANK {SUDAN}; f.k.a. EL NILEIN BANK), P.O. Box 466/1722, United Nations Square, Khartoum, Sudan; Parliament Street, P.O. Box 466, Khartoum, Sudan; P.O. Box 6013, Abu Dhabi City, United Arab Emirates

EL NILEIN INDUSTRIAL DEVELOPMENT BANK GROUP (a.k.a. EL NILEIN INDUSTRIAL DEVELOPMENT BANK {SUDAN}; a.k.a. NILEIN INDUSTRIAL DEVELOPMENT BANK {SUDAN}; f.k.a. EL NILEIN BANK), P.O. Box 466/1722, United Nations Square, Khartoum, Sudan; Parliament Street, P.O. Box 466, Khartoum, Sudan; P.O. Box 6013, Abu Dhabi City, United Arab Emirates

EL TAKA AUTOMOBILE COMPANY (a.k.a. TAKA AUTOMOBILE COMPANY), P.O. Box 221, Khartoum, Sudan

EMIRATES AND SUDAN INVESTMENT COMPANY LIMITED, P.O. Box 7036, Khartoum, Sudan; Port Sudan, Sudan

FARMERS BANK FOR INVESTMENT & RURAL DEVELOPMENT, Khartoum, Sudan

GEZIRA AUTOMOBILE COMPANY (a.k.a. EL GEZIRA AUTOMOBILE COMPANY), P.O. Box 232, Khartoum, Sudan

GEZIRA TRADE & SERVICES COMPANY LIMITED, P.O. Box 215, Khartoum, Sudan; P.O. Box 17, Port Sudan, Sudan; El Obeid, Sudan; Gedarit, Sudan; Juba, Sudan; Kost, Sudan; Sennar, Sudan; Wad Medani, Sudan

GROUPED INDUSTRIES CORPORATION, P.O. Box 2241, Khartoum, Sudan

ICDB (a.k.a. ISLAMIC CO-OPERATIVE DEVELOPMENT BANK), P.O. Box 62, Khartoum, Sudan

INDUSTRIAL BANK COMPANY FOR TRADE & DEVELOPMENT LIMITED, Khartoum, Sudan

INDUSTRIAL BANK OF SUDAN (n.k.a. EL NILEIN INDUSTRIAL DEVELOPMENT BANK GROUP), United Nations Square, P.O. Box 1722, Khartoum, Sudan

INDUSTRIAL RESEARCH AND CONSULTANCY INSTITUTE, P.O. Box 268, Khartoum, Sudan

INGASSANA MINES HILLS CORPORATION, P.O. Box 2241, Khartoum, Sudan

ISLAMIC CO-OPERATIVE DEVELOPMENT BANK (a.k.a. ICDB), P.O. Box 62, Khartoum, Sudan

KASSALA FRUIT PROCESSING COMPANY, Khartoum, Sudan

KHARTOUM CENTRAL FOUNDRY, Khartoum, Sudan

KHARTOUM COMMERCIAL AND SHIPPING COMPANY LIMITED, Kasr Avenue, P.O. Box 221, Khartoum, Sudan

KHARTOUM TANNERY, P.O. Box 134, Khartoum South, Sudan

KHOR OMER ENGINEERING COMPANY, P.O. Box 305, Khartoum, Sudan

KORDOFAN AUTOMOBILE COMPANY, P.O. Box 97, Khartoum, Sudan

KORDOFAN COMPANY, Khartoum, Sudan

MILITARY COMMERCIAL CORPORATION, P.O. Box 221, Khartoum, Sudan

MODERN ELECTRONIC COMPANY, Khartoum, Sudan

MODERN LAUNDRY BLUE FACTORY (a.k.a. THE MODERN LAUNDRY BLUE FACTORY), P.O. Box 2241, Khartoum, Sudan

MODERN PLASTIC & CERAMICS INDUSTRIES COMPANY, Khartoum, Sudan

NATIONAL EXPORT-IMPORT BANK (n.k.a. BANK OF KHARTOUM GROUP), Sudanese Kuwait Commercial Centre, Nile Street, P.O. Box 2732, Khartoum, Sudan

NATIONAL REINSURANCE COMPANY (SUDAN) LIMITED, P.O. Box 443, Khartoum, Sudan

NILE CEMENT COMPANY LIMITED, P.O. Box 1502, Khartoum, Sudan; Factories at Rabak, St. 45-47, Khartoum Extension, Sudan

NILEIN INDUSTRIAL DEVELOPMENT BANK (SUDAN) (a.k.a. EL NILEIN INDUSTRIAL DEVELOPMENT BANK [SUDAN]; a.k.a. EL NILEIN INDUSTRIAL DEVELOPMENT BANK GROUP; f.k.a. EL NILEIN BANK), P.O. Box 466/1722, United Nations Square, Khartoum, Sudan; Parliament Street, P.O. Box 466, Khartoum, Sudan; P.O. Box 6013, Abu Dhabi City, United Arab Emirates

PEOPLE'S CO-OPERATIVE BANK, P.O. Box 922, Khartoum, Sudan

PORT SUDAN REFINERY LIMITED, P.O. Box 354, Port Sudan, Sudan

PUBLIC CORPORATION FOR BUILDING AND CONSTRUCTION, P.O. Box 2110, Khartoum, Sudan

PUBLIC CORPORATION FOR IRRIGATION AND EXCAVATION, P.O. Box 619, Khartoum, Sudan; P.O. Box 123, Wad Medani, Sudan

PUBLIC ELECTRICITY AND WATER CORPORATION, P.O. Box 1380, Khartoum, Sudan

RED SEA STEVEDORING, P.O. Box 215, Khartoum, Sudan; P.O. Box 17, Port Sudan, Sudan

ROADS AND BRIDGES PUBLIC CORPORATION, P.O. Box 756, Khartoum, Sudan

SACKS FACTORY, P.O. Box 2328, Khartoum, Sudan

SILOS AND STORAGE CORPORATION, P.O. Box 1183, Khartoum, Sudan

SRC (a.k.a. SUDAN RAILWAYS CORPORATION), P.O. Box 43, Bara, Sudan; Babanousa, Sudan; Khartoum, Sudan; Kosti, Sudan; Port Sudan, Sudan

SRDC (a.k.a. SUDAN RURAL DEVELOPMENT COMPANY LIMITED), P.O. Box 2190, Khartoum, Sudan

STATE CORPORATION FOR CINEMA, P.O. Box 6028, Khartoum, Sudan

STATE TRADING COMPANY (a.k.a. STATE TRADING CORPORATION), P.O. Box 211, Khartoum, Sudan

STATE TRADING CORPORATION (a.k.a. STATE TRADING COMPANY), P.O. Box 211, Khartoum, Sudan

SUDAN AIR (a.k.a. SUDAN AIRWAYS), P.O. Box 253, Khartoum, Sudan; Bahrain; Chad; Egypt; Ethiopia; Germany; Greece; Italy; Kenya; Kuwait; Nigeria; Saudi Arabia; Uganda; United Arab Emirates; England (and perhaps elsewhere in the United Kingdom); 211 East 43rd Street, New York, New York 10017, U.S.A.; 199 Atlantic Avenue, Brooklyn, New York, New York 11201-5606 U.S.A.

SUDAN AIRWAYS (a.k.a. SUDAN AIR), P.O. Box 253, Khartoum, Sudan; Bahrain; Chad; Egypt; Ethiopia; Germany; Greece; Italy; Kenya; Kuwait; Nigeria; Saudi Arabia; Uganda; United Arab Emirates; England (and perhaps elsewhere in the United Kingdom); 211 East 43rd Street, New York, New York 10017, U.S.A.; 199 Atlantic Avenue, Brooklyn, New York, New York 11201-5606 U.S.A.

SUDAN COMMERCIAL BANK, P.O. Box 1116, Al-Qasr Avenue, Khartoum, Sudan; P.O. Box 182, El Gadaref, Sudan; P.O. Box 412, El Obeid, Sudan; P.O. Box 1174, Khartoum, Sudan; P.O. Box 570, Port Sudan, Sudan [SUDAN]

SUDAN DEVELOPMENT CORPORATION, Street 21, P.O. Box 710, Khartoum, Sudan

SUDAN EXHIBITION AND FAIRS CORPORATION, P.O. Box 2366, Khartoum, Sudan

SUDAN OIL SEEDS COMPANY LIMITED, P.O. Box 167, Khartoum, Sudan; Nyala, Sudan; Obied, Sudan; Port Sudan, Sudan; Tandaly, Sudan

SUDAN RAILWAYS CORPORATION (a.k.a. SRC), P.O. Box 43, Bara, Sudan; Babanousa, Sudan; Khartoum, Sudan; Kosti, Sudan; Port Sudan, Sudan

SUDAN RURAL DEVELOPMENT COMPANY LIMITED (a.k.a. SRDC), P.O. Box 2190, Khartoum, Sudan

SUDAN WAREHOUSING COMPANY, P.O. Box 215, Khartoum, Sudan; P.O. Box 17, Port Sudan, Sudan; El Obeid, Sudan; Gedarit, Sudan; Juba, Sudan; Kosti, Sudan; Sennar, Sudan; Wad Medani, Sudan

SUDANESE COMPANY FOR BUILDING AND CONSTRUCTION LIMITED, P.O. Box 2110, Khartoum, Sudan

SUDANESE ESTATES BANK, Al-Baladiya Avenue, P.O. Box 309, Khartoum, Sudan

SUDANESE REAL ESTATE SERVICES COMPANY, Khartoum, Sudan

SUDANESE SAVINGS BANK, P.O. Box 159, Wad Medani, Sudan

TAHEER PERFUMERY CORPORATION, EL, P.O. Box 2241, Khartoum, Sudan

TAHREER PERFUMERY CORPORATION, EL, Omdurman, Sudan

TAKA AUTOMOBILE COMPANY (a.k.a. EL TAKA AUTOMOBILE COMPANY), P.O. Box 221, Khartoum, Sudan

TEA PACKETING AND TRADING COMPANY, P.O. Box 369, Khartoum, Sudan

THE MODERN LAUNDRY BLUE FACTORY (a.k.a. MODERN LAUNDRY BLUE FACTORY), P.O. Box 2241, Khartoum, Sudan

UNITY BANK (now part of BANK OF KHARTOUM GROUP), Bariman Ave., P.O. Box 408, Khartoum, Sudan

WAFRA CHEMICALS & TECHNO-MEDICAL SERVICES LIMITED, Khartoum, Sudan

WHITE NILE BATTERY COMPANY, Khartoum, Sudan

An account has been licensed in Washington DC to permit the Embassy of Sudan to carry out its official diplomatic functions in the United States and an account has been licensed in New York to permit the Permanent Mission of the Government of Sudan to the United Nations to carry out its official functions before the UN. The Embassy may use its licensed Washington account to make payments for stipends and scholarships covering tuition and related educational, living and travel expenses provided by the Government of Sudan to Sudanese nationals who are enrolled as students in an accredited educational institution in the United States and receipt of those stipends and scholarships is authorized. Apart from that, banks located in the United States and U.S. banks located offshore are alerted that they must reject transfers from the Washington account of the Sudanese Embassy or the New York account of Sudan's UN Mission in the form of gifts or charitable contributions, unless a bank knows or has reasonable cause to believe that a particular transaction poses a risk of furthering terrorism in the United States, in which case such funds must be blocked, even though they would be coming out of a "licensed" account. As under the Terrorism List Governments Sanctions Regulations, 31 C.F.R. Part 596, U.S. persons are prohibited from receiving donations from either the Embassy or the Mission or engaging in financial transactions with them with respect to which the U.S. person knows or has reasonable cause to believe that the financial transaction poses a risk of furthering terrorist acts in the United States.]

OFFICE OF FOREIGN ASSETS CONTROL
SUDANESE SANCTIONS REGULATIONS
General Notice No. 1

30-Day Delayed Effective Date for Pre-November 4, 1997 Trade Contracts Involving Sudan

(a) *Pre-existing trade contracts.* Trade transactions required under a contract entered into prior to November 4, 1997 (a "pre-existing trade contract"), otherwise prohibited by Section 2 of Executive Order 13067, including the importation of goods or services of Sudanese origin or the exportation of goods, services, or technology that was authorized under applicable Federal regulations in force immediately prior to November 4, 1997, are authorized without specific licensing by the Office of Foreign Assets Control ("OFAC") as follows:

(1) If the pre-existing trade contract is for:

(A) the exportation of goods, services, or technology from the United States or a third country that was authorized under applicable Federal regulations in force immediately prior to November 4, 1997, or

(B) the reexportation of goods or technology that was authorized under applicable Federal regulations in force immediately prior to November 4, 1997,

such exports or reexports are authorized until 12:01 a.m. EST, December 4, 1997, and non-financing activity by U.S. persons incidental to the performance of the pre-existing trade contract (such as the provision of transportation or insurance) is authorized through 12:01 a.m. EST, February 2, 1998; or

(2) If the pre-existing trade contract is for the importation of goods or services of Sudanese origin or other trade transactions relating to goods or services of Sudanese origin or owned or controlled by the Government of Sudan, importations under the pre-existing trade contract are authorized until 12:01 a.m. EST, December 4, 1997.

(3) For purposes of this section, goods are considered to be exported upon final loading aboard the exporting conveyance in the country of export. Goods are considered to be imported upon arrival in the jurisdiction of the country of importation.

(b)(1) *Financing for pre-existing trade contracts.* In general, no financing services prohibited by Executive Order 13067 may be performed after 12:01 a.m. EST, November 4, 1997. However, letters of credit and other financing agreements with respect to the trade transactions authorized in section (a) of this General Notice may be performed according to their terms, and may be extended or renewed, except that:

(A) any payment required to be made to the Government of Sudan or any person blocked pursuant to Executive Order 13067 or otherwise, including payments authorized with respect to trade transactions described in section (a) of this General Notice, must be made into a blocked account in the United States, and

(B) no payment may be made from a blocked account unless authorized by a specific license issued by OFAC.

(2) Specific licenses may be issued by OFAC on a case-by-case basis to permit a U.S. bank to debit a blocked account of the Government of Sudan for funds held as collateral under an irrevocable letter of credit issued or confirmed by it, or a letter of credit reimbursement confirmed by it, for goods, services or technology exported, or goods or technology reexported, prior to 12:01 a.m. EST, December 4, 1997, directly or indirectly to Sudan, or to third countries for an entity operated from Sudan, or for the benefit of the Government of Sudan. The application for a license must:

(A) present evidence satisfactory to OFAC that the exportation or reexportation occurred prior to 12:01 a.m. EST, December 4, 1997, and

(B) include an explanation of the facts and circumstances surrounding the entry and execution of the export or reexport transaction, including the names and addresses of all Sudanese participants in the transaction and all Sudanese persons having an ownership interest in the beneficiary of the letter of credit.

(c) *Blocked Government of Sudan accounts; operation of accounts for private Sudanese persons.* Nothing in this General Notice permits debits to a blocked account of the Government of Sudan absent the issuance of a specific license by OFAC. The operation of an account of the Government of Sudan in a financial institution does not constitute a "trade transaction" for purposes of Section 7 of Executive Order 13067. The operation of an account in a financial institution for a private Sudanese person does not constitute the exportation of a service to Sudan; however, such operation may not include the execution of transactions in support of an industrial, commercial, public utility, or governmental project in Sudan or the facilitation of exportation or reexportation transactions prohibited by Section 2(c) or (d) of Executive Order 13067.

(d) *Existence of contract.* The existence of a contract will be determined with reference to the principles contained in Article 2 of the Uniform Commercial Code.

(e) *Reporting requirement.* Although a specific license from OFAC is not required for any transaction authorized in section (a) of this General Notice, any U.S. person engaging in a transaction described in that section is required to report such transaction immediately to OFAC and provide a description of the underlying trade contract. Such reports should be directed to the Office of Foreign Assets Control, Attn: Compliance Division/Sudan Contracts, 1500 Pennsylvania Avenue, NW., Annex - 2nd Floor, Washington, D.C. 20220. Such reports may be made by FAX to 202/622-1657.

(f) *Operating policies; facilitation.* No U.S. person may change its policies or operating procedures in order to enable a foreign entity owned or controlled by U.S. persons to enter into a transaction that could not be entered into directly by a U.S. person pursuant to Executive Order 13067.

(g) *Licensing and reporting provisions.* For provisions relating to applications to OFAC for specific licenses and reporting requirements, see 31 CFR 501.606 and 501.808 (62 *Federal Register* 45098, 45104-05, August 25, 1997).

Issued: December 2, 1997

Signed: R. Richard Newcomb, Director - Office of Foreign Assets Control

The Treasury Department's Office of Foreign Assets Control also administers sanctions programs involving Libya, Iraq, the Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnian Serb-controlled areas of the Republic of Bosnia and Herzegovina, Cuba, the National Union for the Total Independence of Angola (UNITA), North Korea, Iran, Syria, Burma (Myanmar), Foreign Terrorist Organizations, and designated terrorists and narcotics traffickers. For additional information about these programs or about sanctions against Sudan, please contact the:

OFFICE OF FOREIGN ASSETS CONTROL

U.S. Department of the Treasury

Washington, D.C. 20220

202/622-2520
