

Iran Nuclear Talks: Extension of Joint Plan of Action

On Friday, July 18, 2014, U.S. Secretary of State John Kerry issued a statement that the Joint Plan of Action (JPOA) negotiated between the P5+1 nations¹ and Iran would be extended until November 24, 2014. As we reported previously, the JPOA was an agreement under which the United States and others would provide limited and temporary sanctions relief to Iran in return for Iran's foregoing certain elements of its nuclear program, including a reduction of its stockpile of enriched uranium (see Cozen O'Connor Maritime Alert, "Implementation of Temporary Iran Sanctions Relief," January 28, 2014). Secretary Kerry's complete statement can be seen [here](#).

The initial agreement was intended to last six months (until July 20), during which time the parties would seek to negotiate a comprehensive agreement regarding Iran's nuclear program. While Iran has apparently met its obligations under the JPOA, the sides are still working on a long term solution. Accordingly, the parties agreed to extend the JPOA for four months during which time Iran will continue to reduce its enriched uranium stores and the P5+1 will continue to suspend certain sanctions as agreed under the original JPOA.

This means that the limited sanctions relief relating to Iranian petrochemical exports, imports to Iran's auto industry, trade in precious metals, and the provision of goods and services to Iran's civil aviation sector will remain in place exactly as agreed under the initial JPOA. Moreover, the statement made clear that, as was the case under the initial JPOA, all other sanctions remain in place and will be vigorously enforced.

As we noted in our previous Alert, entities wishing to take advantage of the sanctions relief in order to transact business with Iran must continue to exercise considerable caution. The complexities of the various JPOA provisions suggest that each anticipated transaction should be scrutinized on a case-by-case basis to ensure that it involves only authorized activities and entities. We would also reiterate that the relief specified in the JPOA can be immediately revoked should Iran renege on its obligations under the agreement.

Should you have any questions regarding U.S. sanctions against Iran or any other U.S. sanctions program, please do not hesitate to contact a member of Cozen O'Connor's Transportation & Logistics Department.

¹ The P5+1 nations include the United States, United Kingdom, Germany, France, Russia and China.



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