

News

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New European Union Measures against Iran - Council Regulation 267/ 2012 published 24 March 2012

The latest round of EU measures against Iran implementing Council Decision 2012/35 (23 January 2012) in relation to the transportation of crude oil or petroleum products were published in Council Regulation 267/2012 on 24 March. The material provisions of Regulation 267/2012 Arts 11 -14 substantially reflect the corresponding provisions in the Council Decision. There is no "carve-out" in respect of third party liability insurance although there remains a grace period during which the EU domiciled or regulated insurers and reinsurers can provide cover up to 1 July 2012. Whereas in the Council Decision, the continuing provision of insurance and reinsurance was dependent upon this being in relation to contracts concluded prior to 23 January 2012 or contracts ancillary thereto, it now appears that this restriction has been lifted so that third party liability insurance and environmental liability insurance and reinsurance can be provided in relation to post 23 January 2012 contracts but not in any event beyond 1 July 2012. A similar position pertains in relation to the insurance of transportation of petrochemical cargoes up to the cut-off date of 1 May 2012. In relation to contracts, which could include cargo sale and purchase contracts and charterparties, a notification provision has been included requiring the party seeking to perform the relevant contract to notify, at least 20 working days in advance, the contemplated activity to the competent authority within its Member State. This notification requirement will not apply in relation to third party liability insurance and environmental liability insurance and reinsurance cover.