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## Sudan Embargo Lifted

JANUARY 19, 2017

On January 13, the US Department of the Treasury's Office of Foreign Assets Control (OFAC) issued a [general license](#) that authorizes all transactions with Sudan that were previously prohibited by the Sudanese Sanctions Regulations (SSR), 31 C.F.R. Part 538, and Executive Orders 13067 and 13412. President Obama also issued an [executive order](#) that would revoke the sanctions provisions applicable to Sudan through the previous executive orders on July 12, 2017, provided that the government of Sudan continues its cooperation with the United States on specified US foreign policy priorities including the cessation of hostilities in Sudanese conflict areas, improved humanitarian access in Sudan, and cooperation with the United States on addressing regional conflicts and the threat of terrorism. US persons are now able to conduct transactions with Sudan, and the property of the government of Sudan is unblocked.

The measures effectively remove Sudan from the list of territories subject to a partial or complete embargo that had been in place against it since 1997.

Specifically, the amendments to the SSR authorized, effective January 17, 2017:

- US persons to process transactions involving persons in Sudan;
- US persons to engage in imports and exports involving Sudan;
- US persons to engage in transactions involving property in which the government of Sudan has an interest;
- the unblocking of property previously blocked under the SSR; and
- the facilitation by US persons of transactions between Sudan and third countries, to the extent previously prohibited by the SSR.

As described by OFAC in new [FAQs](#), the general license supersedes other general licenses in the SSR that US persons may have previously relied on in their direct or indirect dealings with Sudan, such as the general licenses relating to noncommercial, personal remittances; commercial sales, exportation and reexportation of agricultural commodities, medicine and medical devices; and the exportation, reexportation or provision of certain services, software and hardware incident to personal communications. In addition, US persons are not required to renew or obtain a new specific license from OFAC to engage in activities prohibited by the SSR.

These measures only authorize transactions previously prohibited by the SSR and by Executive Orders 13067 and 13412. They do not affect prohibitions under other OFAC sanctions programs, such as the Darfur Sanctions Regulations, the South Sudan Sanctions Regulations or other executive orders. The sanctions easing also does not affect significant restrictions under the Export Administration Regulations (EAR) on the export or reexport of goods, technology and software that contain more than 10% US-origin content and are not classified as EAR99.

The unique framework of last week's executive order means that the Trump Administration, based on the assessment and recommendation of the secretary of state and other incoming administration officials, will determine whether to make the revocation of Sudan sanctions permanent in July 2017. These changes may be particularly relevant to financial services, energy firms and other exporters conducting business in the region.

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