



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

Case No. IA-2012-293254-1

Mark Wasden, Esq.
King & Spalding LLP
1700 Pennsylvania Ave., N.W., Suite 200
Washington, D.C. 20006

Dear Mr. Wasden:

This responds to your letter of March 29, 2012, on behalf of the American Standards Institute (“ANSI”), requesting guidance from the Office of Foreign Assets Control (“OFAC”), and to additional correspondence dated March 30, 2012, from the International Organization for Standardization (“ISO”) and April 4, 2012, from the National Institute of Standards and Technology of the U.S. Department of Commerce, in support of ANSI’s request. In your letter, you request guidance on the applicability of the Iranian Transactions Regulations, 31 C.F.R. Part 560 (the “ITR”), to transactions by U.S. persons engaged in standards development activities with international organizations in which Iranian entities may also be involved. According to your letter, ANSI is a private, non-profit membership organization that operates with the participation of a diverse array of private- and public-sector organizations. ANSI oversees the creation, promulgation, and use of thousands of standards, guidelines, and conformity assessment activities. You further state that ANSI is the sole U.S. representative and dues-paying member of the two major non-treaty international standards organizations, which are the ISO and the International Electrotechnical Commission (“IEC”). You indicate that through ANSI, the United States has immediate access to and influence in the ISO and IEC standards development processes at the technical level. You note that Iran is a full member of ISO and that there is overlap in the standards-setting committees in which the United States and Iran participate.

In your letter, you explain in detail the process of developing international standards, from the initial request by an industry sector, through the sharing of existing technical information between representatives from different countries and collaboration on a uniform standard, to final publication of an international standard. You further explain that a number of facets of international standard development can require ANSI to share information and collaborate with foreign counterparts, including representatives of Iran. The Iranian representatives are usually chosen by the Institute of Standards and Industrial Research of Iran (“ISIRI”), which appears to be a research institute under the auspices of the Government of Iran.

The Iranian Transactions Regulations, 31 C.F.R. Part 560 (the “ITR”), generally prohibit the importation into the United States of any goods or services of Iranian origin or owned or controlled by the Government of Iran. ITR, § 560.201. The ITR also generally prohibit the exportation, reexportation, sale, or supply of any goods, technology, or services, directly or indirectly, from the United States or by a U.S. person, wherever located, to Iran or the Government of Iran. ITR, § 560.204. Additionally, the ITR generally prohibit U.S. persons, wherever located, from engaging in any transaction or dealing in or related to goods or services of Iranian origin or owned or controlled by the Government of Iran; or goods, technology, or services for exportation, reexportation, sale or supply, directly or indirectly, to Iran or the Government of Iran. ITR, § 560.206(a). The ITR define the term U.S. person to mean 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. ITR, § 560.314. Following the issuance of Executive Order 13599 of February 5, 2012, all property and interests in property of the Government of Iran that are in the United States or come within the control of any U.S. person are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in. OFAC has historically defined “property” to include services. *See, e.g.*, 31 C.F.R. §§ 537.315, 538.310, and 551.307.

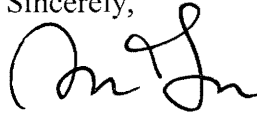
As you correctly state in your letter, the prohibitions in the ITR on exports to Iran do not apply to the exportation to any country of information and informational materials, whether commercial or otherwise, regardless of format or medium of transmission. ITR, § 560.210(c). This exemption applies equally to the blocking of property and interests in property of the Government of Iran under E.O. 13599. The term “information and informational materials” includes publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMS, artworks, and news wire feeds. ITR, § 560.315(a)(1). However, § 560.210(c)(2) of the ITR clarifies that the information and informational materials exemption does not apply to transactions related to items not fully created and in existence at the date of the transactions, or to the substantive or artistic alteration or enhancement of informational materials, or to the provision of marketing and business consulting services.

Section 560.538 of the ITR authorizes U.S. persons to engage in all transactions necessary and ordinarily incident to the publishing and marketing of manuscripts, books, journals, and newspapers in paper or electronic format (collectively, “written publications”). The term “manuscript” is generally defined to include a written work submitted for publication. This section authorizes, among others, collaborating on the creation and enhancement of such written publications, augmenting written publications through translation, the payment of royalties for written publications, and creating or undertaking a marketing campaign to promote a written publication. ITR, § 560.538(a). This general license does not authorize transactions involving the provision of goods and services not necessary and ordinarily incident to the publishing and marketing of written publications, such as the provision of individualized or customized accounting, legal, design, or consulting services. ITR, § 560.538(b)(1). The general license also does not authorize the engagement of services of a publishing house or translators in Iran unless such activity is primarily for the dissemination of written publications in Iran. ITR, § 560.538(c). The general license does not apply if the parties to the transactions include the Government of Iran unless the relevant Government of Iran parties are academic or research institutions. ITR § 560.538(a)

Based on the information provided, all U.S. person engagement in ANSI’s standard-setting activities, as described in the letter, appears to involve either (1) exempt exportation of informational material described in section 560.210(c) of the ITR or (2) licensed collaboration on the creation and enhancement of written publications — in this instance, international standards — with representatives of an Iranian research institution, as authorized by the general license in section 560.538 of the ITR. Please be advised that it would not be consistent with current OFAC licensing policy to authorize U.S. persons to engage in transactions beyond those within the exemption of section 560.210(c) and what is generally authorized under section 560.538.

If you have any additional questions, you may refer to the OFAC website at www.treas.gov/ofac or call our office at (202) 622-2480.

Sincerely,



Aug. 14, 2012

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control