

OFFICE OF FOREIGN ASSETS CONTROL

REPORT OF LICENSING ACTIVITIES

PURSUANT TO

THE TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT ACT OF 2000

October - December 2007

This report is submitted pursuant to Section 906(b) of the Trade Sanctions Reform and Export Enhancement Act of 2000 ("TSRA") and covers activities undertaken by the Treasury Department's Office of Foreign Assets Control ("OFAC") under Section 906(a)(1) of the TSRA from October through December 2007. Under the procedures established in its TSRA-related regulations, OFAC processes license applications requesting authorization to export agricultural commodities, medicine, and medical devices to Iran and Sudan under the one-year specific licensing regime set forth in Section 906 of the TSRA.

From October 1 to December 31, 2007, OFAC's Licensing Division received a total of 276 applications pursuant to Section 906(a)(1) of the TSRA. During this reporting quarter, OFAC issued a total of 202 licensing determinations,¹ of which 76 were for cases received in this quarter. One hundred (100) licenses (average turnaround: 80 business days) and twenty six (26) license amendments² (average turnaround: 17 business days) were issued in this quarter. In addition, OFAC issued nineteen (19) "return-without-action" letters ("RWA letters") (average turnaround: 18 business days), and ten (10) denial letters (average turnaround: 80 business days) (**See Charts 1-3 and Graph 1**).

On October 25, 2007, the property and interests in property of two Iranian financial institutions (Bank Mellat and Bank Melli) were blocked under OFAC sanctions with respect to WMD proliferation and another Iranian financial institution (Bank Saderat) for support to terrorist organizations. Though these actions affected the processing of TSRA applications, the overall average time for issuing licensing determinations in this quarter in response to submissions to OFAC pursuant to the TSRA was 67 business days.

The increased complexity and length of license applications (the majority of applications pertain to the export of medical devices to Iran) coupled with the more protracted scrutiny on the part of other reviewing agencies continued to affect processing time of license applications in this quarter. These cases are evaluated both in terms of whether the foreign entities involved in the transaction "promote international terrorism," as required in section 906 of the TSRA, and in terms of whether the commodities at issue implicate independent export control regimes involving chemical or biological weapons or weapons of mass destruction as provided in section 904(2)(C) of the TSRA.

¹A "licensing determination" is any action that OFAC takes on a license application. It may take the form of a license, a license amendment, a "return-without-action" letter, a general information letter, an interpretative letter, a denial letter, a telephone call, a fax, or an e-mail.

² A "license amendment" is an amendment to an existing license previously issued by OFAC.

CHART 1
Number of License Applications and Licenses Issued by Product

	Agricultural Commodities	Medicine	Medical Devices	TOTAL
License Applications	89	20	167	276
Licenses Issued	30	13	57	100
License Amendments Issued	21	2	3	26
Applications Denied	2	1	7	10

CHART 2
Number of License Applications and Licenses Issued by Country

	Iran	Sudan	TOTAL
License Applications	247	29	276
Licenses Issued	84	16	100
License Amendments Issued	23	3	26
Applications Denied	10	0	10

CHART 3
Number of License Applications and Licenses Issued by Country and Product

	Agricultural Commodities	Medicine	Medical Devices	TOTAL
IRAN				
License Applications	78	20	149	247
Licenses and License Amendments Issued	45	9	53	107
SUDAN				
License Applications	11	0	18	29
Licenses and License Amendments Issued	6	6	7	19

GRAPH 1

**Average Processing Time for Issuing Licensing
 Determinations (Business Days)**

