

# European Commission acts to counter US sanctions on Iran

*European Commission has started the process of renewing sanctions-blocking measures prohibiting European companies from complying with any sanctions the US will reintroduce against Tehran. Washington has unilaterally withdrawn from the 2015 international nuclear deal with Iran, while all other signatories stay on.*

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The Blocking Statute forbids EU companies from complying with the extraterritorial effects of US sanctions



BRUSSELS has moved to ban European companies from complying with United State sanctions on Iran and protect them from American court judgement, as the European Union reiterated support for the nuclear deal after President Donald Trump's decision to withdraw from it.

In a clear response to the US move, EU Commission President Jean-Claude Juncker announced on Friday that the bloc plans to apply the Blocking Statute - a 1996 law that would prohibit European companies from complying with any sanctions the US will reintroduce against Tehran.

The Blocking Statute forbids EU companies from complying with the extraterritorial effects of US sanctions, allows companies to recover damages arising from such sanctions from the person causing them, and nullifies the effect in the EU of any foreign court judgements based on them.

The statute is anticipated to be in place by August 6 this year, the commission said in a statement.

The Iran nuclear agreement, known as the Joint Comprehensive Plan of Action was signed by Tehran and the five permanent members of the UN Security Council – the US, France, Britain, Russia and China – plus Germany on July 14, 2015, imposed strict restrictions on Iran's nuclear program in return for the loosening of economic sanctions.

The US has unilaterally withdrawn from the 2015 international nuclear deal with Iran, re-imposing sanctions on many Iranian maritime and energy firms within six months.

However, the other signatories to the 2015 nuclear deal with Iran have pledged to stick to its terms and urged Tehran to do the same.

Last week, the French energy giant Total said that it will be forced to withdraw from the South Pars 11 gas development project if the US reinstates sanctions on Iran, dealing a major blow to Tehran's long-term ambition to raise oil and gas production.

Oil prices has also surged in the past week as the market continued to digest the re-imposition of the sanctions on Iran's economy and oil exports which had been waived.