

**Security Council**

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**Letter dated 27 December 2013 from the Chair of the
Security Council Committee established pursuant to resolution
1737 (2006) addressed to the President of the Security Council**

I have the honour to transmit herewith the report of the Security Council Committee established pursuant to resolution [1737 \(2006\)](#) (see annex), which covers the Committee's activities during the period from 1 January to 31 December 2013. The report is submitted in accordance with the note by the President of the Security Council of 29 March 1995 ([S/1995/234](#)).

(Signed) Gary **Quinlan**
Chair
Security Council Committee established
pursuant to resolution [1737 \(2006\)](#)



Annex

Report of the Security Council Committee established pursuant to resolution 1737 (2006)

I. Introduction

1. The present report of the Security Council Committee established pursuant to resolution 1737 (2006) covers the period from 1 January to 31 December 2013.
2. During the reporting period, the Bureau of the Committee consisted of Gary Quinlan (Australia), with the delegation of Togo providing the Vice-Chair. In 2013, the Committee held eight informal consultations (13 February, 29 April, 28 May, 17 June, 25 July, 26 August, 23 October and 21 November).
3. The Committee carried out its activity in accordance with its programmes of work for the year, adopted on 21 March and 9 August.

II. Background information

4. In efforts aimed at ensuring the exclusively peaceful nature of the Iranian nuclear programme and the fulfilment of the international commitments of the Islamic Republic of Iran, the Security Council adopted four resolutions in which it imposed and/or strengthened various sanctions on the country: 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010). A handout describing the implementation by States of those resolutions is available from the following web page of the Committee: www.un.org/sc/committees/1737/pdf/Handout_Mar2013.pdf.
5. The Committee established pursuant to resolution 1737 (2006) is mandated to oversee the implementation of the relevant measures imposed by those resolutions.
6. The Committee is assisted by eight experts comprising a Panel of Experts, which was established by the Security Council in its resolution 1929 (2010) and whose mandate was extended by the Council in its resolution 2105 (2013) until 9 July 2014.

III. Summary of the activities of the Committee

A. Informal consultations and open briefings

7. At informal consultations on 13 February, the Committee exchanged preliminary views on a case reported by a Member State in a note verbale dated 6 February 2013, according to which the authorities of that State had intercepted, on 23 January 2013, a vessel that it suspected was carrying illicit weapons from the Islamic Republic of Iran to be delivered to that State. The Committee also discussed the Panel of Experts' incident report on the missile launches by the Islamic Republic of Iran during the Great Prophet 7 exercise conducted from 2 to 4 July 2012 and the Panel's compilation of publicly available statements made by Iranian officials and alleged recipients of Iranian military assistance regarding potential violations of paragraph 5 of resolution 1747 (2007).

8. At its 29 April informal consultations, the Committee discussed the report of the Panel of Experts on the incident involving the interception in January of a vessel suspected of carrying illicit weapons from the Islamic Republic of Iran. The Committee agreed to send a letter to the Islamic Republic of Iran bringing to its attention the Panel's conclusion, expressing concern about the Panel's findings and asking for its comments. In the letter, sent on 21 May, the Committee indicated that it was seeking comments from the Islamic Republic of Iran within 15 days.

9. During the informal consultations of 28 May, the Coordinator of the Panel of Experts briefed the Committee on the Panel's 2013 final report (S/2013/331). Committee members exchanged preliminary views on the report.

10. The Committee continued its deliberations on the Panel's final report during informal consultations on 17 June, when it discussed in detail the recommendations made by the Panel and considered possible responses to the recommendations.

11. On 24 June, the Committee, with the assistance of the Panel of Experts, held an open briefing to share information about the work of the Committee and of the Panel and to highlight the assistance the Committee could provide to Member States in the implementation of the resolutions and the submission of national reports.

12. On 25 July, the Committee invited the Special Representative of the International Criminal Police Organization (INTERPOL) to brief the Council on cooperation between INTERPOL and other sanctions committees for promoting the implementation of Security Council measures. The Committee also continued its consideration of the Panel's final report and discussed the Committee's programme of work for the second part of the year.

13. On 26 August, the Committee was briefed by the Panel of Experts on its ongoing investigations and outreach activities.

14. On 23 October, the Committee considered the Panel's report on the December 2012 seizure of carbon fibre destined for the Islamic Republic of Iran.

15. On 18 November, the Chair of the Committee joined the following in an open briefing held for States on the respective roles of the Security Council and the Financial Action Task Force in combating the financing of terrorism and proliferation: the Chairs of the Committees established pursuant to resolutions 1373 (2001) concerning counter-terrorism and resolutions 1540 (2004), 1718 (2006) and 1988 (2011); the Chair of the Committee pursuant to resolutions 1267 (1999) and 1989 (2011) concerning Al-Qaida and associated individuals and entities; and the President of the Financial Action Task Force.

16. On 21 November, the Committee considered the Panel's midterm report, submitted in accordance with paragraph 2 of resolution 2105 (2013).

B. Reports to the Security Council

17. Under the provisions of resolution 1737 (2006), paragraph 18 (h), the Chair must report to the Security Council at least every 90 days on the activities of the Committee. Accordingly, the Chair briefed the Council on 6 March, 15 July, 5 September and 12 December (see S/PV.6930, S/PV.6999, S/PV.7028, and S/PV.7082).

C. Reports from Member States on the implementation of resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010)

18. During the reporting period, one Member State reported to the Committee pursuant to paragraph 19 of resolution 1737 (2006) and paragraph 31 of resolution 1929 (2010) on steps taken to implement effectively the Security Council measures with respect to the Islamic Republic of Iran (see enclosure).

D. Communications from and to Member States related to alleged violations of the measures imposed in resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010)

19. On 17 January, a State informed the Committee of an “alleged breach of the embargo on the Islamic Republic of Iran” by a company located in that State involving the export of electrostatic discharge machine tools and components.

20. On 24 January, a State provided details relating to the inspection and seizure, on 15 March 2011, of three shipping containers of arms and related materiel aboard the vessel *M/V Victoria*.

21. On 1 February, a State reported to the Committee the arrest of a businessman suspected of violating the national law implementing the relevant United Nations sanctions measures.

22. On 6 February, a State reported that its authorities had intercepted, on 23 January 2013, a vessel that it suspected was carrying illicit weapons from the Islamic Republic of Iran to be delivered to that State.

23. On 14 February, a State transmitted a report on the shipments confiscated by its respective authorities during the second quarter of 2012 and measures taken to prevent the transit of shipments to the Islamic Republic of Iran that are suspected of containing prohibited items.

24. On 4 March, a State transmitted a report on the shipments confiscated by its respective authorities during the third and fourth quarters of 2012 and measures taken to prevent transit of shipments to the Islamic Republic of Iran that were suspected of containing prohibited items.

25. On 8 March, a State brought to the attention of the Committee the case of an individual found guilty of exporting prohibited dual-use goods, in the form of control valves, to the Islamic Republic of Iran. By a letter dated 18 December, the State submitted to the Committee the result of the appeal on the judgement against the individual.

26. By two separate letters, both dated 18 April, a State informed the Committee of court cases against two Iranian nationals accused of illegally exporting and attempting to export dual-use items to the Islamic Republic of Iran.

27. On 12 April, a State reported that a third State had returned to it a fibre-optic gyroscope after discovering that the item was to be re-exported from that third State to the Islamic Republic of Iran.

28. On 6 June, a State informed the Committee that an inspection undertaken on cargo bound for the Islamic Republic of Iran had revealed a shipment of carbon fibre destined for the Islamic Republic of Iran. A forfeiture order was applied to the cargo, which was shipped without the necessary permits.

29. On 12 July, a State forwarded preliminary information concerning the interception of valves destined for the Islamic Republic of Iran.

30. On 1 August, a State transmitted a report on shipments confiscated by its authorities during the first half of 2013 and on measures taken to prevent the transit of shipments to the Islamic Republic of Iran that were suspected of containing prohibited items.

31. On 5 November, a State informed the Committee of an inspection undertaken by its authorities of a shipment of inverters bound for the Islamic Republic of Iran.

E. Notifications and requests for exemptions received from Member States

32. The Committee received a number of notifications during the reporting period: six from a Member State, submitted pursuant to paragraph 5 (c) of resolution 1737 (2006) concerning the delivery of items for use in the nuclear plant in Bushehr, Islamic Republic of Iran; and six from another State submitted pursuant to paragraph 15 of resolution 1737 (2006) and paragraph 4 of resolution 1747 (2007), in connection with the unfreezing of funds in order to make payments due under contracts entered into prior to the listing of the respective entities.

33. During the reporting period, the Committee authorized one exemption from the travel ban against an individual on the Committee's consolidated list, allowing his participation in the International Ministerial Conference on Nuclear Power in the Twenty-first Century, organized by the International Atomic Energy Agency (IAEA) in Saint Petersburg from 27 to 29 June 2013. The Committee denied a subsequent request to extend that exemption for the individual to attend the Gas Exporting Countries Forum held in Moscow in July 2013. The Committee also denied a request to exempt from the travel ban a second designated individual to attend the June IAEA conference in Saint Petersburg.

F. Other communications from and to Member States and international organizations

34. By two letters dated 16 January 2013, an organization requested confirmation that two proposals for technical assistance to the Islamic Republic of Iran did not contravene the applicable Security Council sanctions regime. On 1 February 2013, the Committee informed the organization that the projects were not prohibited by the Council in relevant resolutions.

35. By a note verbale dated 4 March, a State inquired whether a certain entity was included in the consolidated list of individuals and entities subject to the travel ban and assets freeze pursuant to the relevant Council resolutions. The Committee responded on 19 March, encouraging the State to consult the consolidated list posted on the website of the Committee.

36. By a letter dated 4 April, an organization requested that the Committee assess how the activities it was planning to undertake in the Islamic Republic of Iran might be implemented without violating the sanctions regime. Subsequently, by a letter dated 10 April, the organization withdrew its request indicating that it had decided to put on hold its activities in the Islamic Republic of Iran.

37. By a letter dated 14 March, an organization asked the Committee to confirm that the release of funds for two environmental claims to the Islamic Republic of Iran would not contravene the sanctions regime. On 24 July, the Committee

informed the organization that nothing in the relevant resolutions prohibited the release of funds.

38. By a letter dated 6 May, a State requested clarification on the applicable notification system regarding shipments confiscated in accordance with the relevant resolutions. On 19 December, the Committee advised the State that, in its resolution [1929 \(2010\)](#), the Security Council imposed no requirement on an inspecting or confiscating State in respect of notifying or consulting with any other concerned State regarding either the inspection itself or any consequent seizure or disposal of prohibited items — whether and when to engage in such consultations was up to the inspecting or confiscating State. The Committee also stated that States are always encouraged to cooperate and collaborate with each other in a timely manner in order to ensure the effective and accurate implementation of the relevant resolutions and expressed the belief that consulting with other Member States, including on the nature of relevant items and the best method of disposal, at an appropriate time, might enhance such cooperation.

39. By a letter dated 29 May, a State asked the Committee for additional information regarding an individual on the consolidated list. The Committee was regrettably unable to provide any information in addition to that contained on the consolidated list. In a subsequent letter dated 9 July, the State submitted additional information regarding an individual whose name was similar to that of a listed individual. The Committee provided additional identifiers for the listed individual by a letter dated 20 December.

40. By a letter dated 27 September, an organization asked the Committee to confirm that its proposal to the Islamic Republic of Iran for technical assistance did not contravene the applicable sanctions measures. In a letter dated 11 October, the Committee confirmed that in the relevant resolutions the Security Council did not prohibit the described project.

41. By a letter dated 7 November, a State requested the opinion of the Committee on settling the debt of an entity on its territory to the Ministry of Defence of the Islamic Republic of Iran. The Committee provided its answer on 26 November, confirming that the return of funds was not contrary to the relevant United Nations resolutions.

42. By a letter dated 7 November, a State inquired whether an individual and an entity were included in the consolidated list of individuals and entities subject to the travel ban and assets freeze pursuant to the relevant Council resolutions. The Committee responded on 14 November, encouraging the State to consult the consolidated list posted on the website of the Committee.

43. By a letter dated 18 December, an organization requested confirmation from the Committee that a proposal to the Islamic Republic of Iran for technical assistance did not contravene the relevant Security Council resolutions. The Committee determined that it would need a greater level of technical detail on the items, equipment, goods and technology to be supplied to the Islamic Republic of Iran to make an informed judgement, and would write to the organization to seek such information.

G. Delisting request

44. On 26 March 2013, the Committee received, through the focal point for delisting, a delisting request from the First East Export Bank, an entity on the Committee's consolidated list. On 27 June and 9 August, the focal point forwarded to the Committee additional information from the petitioner. On 25 November, the Committee rejected the delisting request and communicated to the focal point the reasons for the rejection.

H. Updates to lists of prohibited items designations by the Committee

45. On 4 March, the Committee decided to update the lists of items referred to in paragraph 13 of resolution [1929 \(2010\)](#) as follows: the lists of items in INFCIRC/254/Rev.9/Part 1 and INFCIRC/254/Rev.7/Part 2 were superseded by the lists of items in INFCIRC/254/Rev.11/Part 1 and INFCIRC/254/Rev.8/Part 2; and the list of items in [S/2010/263](#) was superseded by the list of items in [S/2012/947](#). The lists are available from the website of the Committee.

I. Panel of Experts

46. During the reporting period, the Committee continued to be assisted by the Panel of Experts.

47. On 8 May, in accordance with paragraph 2 of resolution [2049 \(2012\)](#), the Panel of Experts provided its final report to the Committee, which was transmitted to the Security Council on 3 June ([S/2013/331](#)).

48. Following the adoption on 5 June of Security Council resolution [2105 \(2013\)](#), in which the Council extended the mandate of the Panel of Experts until 9 July 2014, on 25 June the Secretary-General appointed to the Panel of Experts eight experts, seven of whom had been serving during the Panel's previous mandate, while Mr. Chunjie Li replaced Mr. Wenlei Xu (see [S/2013/375](#)).

49. On 17 October, the Secretary-General appointed Mr. Kazuto Suzuki to serve on the Panel in the spot vacated by Mr. Kenichiro Matsubayashi (see [S/2013/615](#)).

50. On 8 November, in accordance with paragraph 2 of resolution [2105 \(2013\)](#), the Panel of Experts transmitted to the Committee its midterm report, which was transmitted to the Security Council on 4 December.

51. During the reporting period, at the invitation of the countries concerned, the Panel of Experts conducted visits to the following countries to discuss the measures taken by those countries to implement resolutions [1737 \(2006\)](#), [1747 \(2007\)](#), [1803 \(2008\)](#) and [1929 \(2010\)](#): New Zealand (18 January), Australia (21 and 22 January), Saudi Arabia (27 to 30 January), Yemen (2 and 3 and 21 to 27 February), Netherlands (4 and 5 February), Luxembourg (6 and 7 February), the United States of America (4 and 5 March), Israel (13 and 14 March) Namibia (14 and 15 March), Georgia (23 to 27 March), Djibouti (25 to 27 March), Ethiopia (28 March to 2 April), Sweden (7 to 11 April), Egypt (21 to 24 April), Togo (14 to 17 May), United Arab Emirates (11 to 17 May), Kyrgyzstan (10 and 11 June), Tajikistan (13 and 14 June), France (16 and 17 June), Singapore (16 to 20 July), Canada (21 and 22 August), Kenya (21 August), Turkey (17 to 21 September), Hungary (26 to 30 October), Finland (14 and 15 November), Lithuania (18 and 19 November), Serbia (10 to 12 November), Slovenia (13 to 16 November),

Uruguay (20 to 23 November), Cyprus (24 to 26 November), Ecuador (27 to 30 November), Croatia (28 and 29 November), the former Yugoslav Republic of Macedonia (16 and 17 December), Albania (19 and 20 December), Switzerland (16 to 20 December). The Panel of Experts and its individual members also participated in a number of relevant international meetings, including conferences and seminars hosted by the International Institute for Strategic Studies, the Financial Action Task Force, the Centre for Information on Security Trade Controls, the Asia/Pacific Group on Money Laundering, the Middle East and North Africa Region Financial Action Task Force and the WorldECR Export Controls and Sanctions Forum.

52. The Panel continued its investigation of incidents of alleged non-compliance and violations and submitted a number of investigation reports to the Committee.

Enclosure***National implementation reports received in 2013**

<i>Member State or organization</i>	<i>Document symbol</i>	<i>Date of communication</i>
Saudi Arabia	S/AC.50/2013/1	22 February 2013

* The lists of reports received prior to 2013 are contained in the enclosures to the previous reports of the Committee established pursuant to resolution [1737 \(2006\)](#) and are available from the following Committee web page: www.un.org/sc/committees/1737/annualreports.shtml.