



## DEPARTMENT OF STATE

[Public Notice 11363]

### **Notice of Department of State Sanctions Action Pursuant to the Iran Freedom and Counter-Proliferation Act of 2012 (IFCA)**

**AGENCY:** Department of State.

**ACTION:** Notice of Sanctions Action.

**SUMMARY:** On October 19, 2020, Secretary of State Michael R. Pompeo determined that each of Reach Holding Group (Shanghai) Company Ltd., Reach Shipping Lines, Delight Shipping Co., Ltd., Gracious Shipping Co. Ltd., Noble Shipping Co. Ltd., and Supreme Shipping Co. Ltd. met the criteria for sanctions set forth in section 1244(d)(1)(A) of the Iran Freedom and Counter-Proliferation Act of 2012 (IFCA), and selected sanctions described in section 6(a) of the Iran Sanctions Act of 1996 (ISA) to be imposed with respect to these persons.

On the same date, Secretary Pompeo also determined that Eric Chen is a principal executive officer, or person performing similar functions and with similar authorities, of Reach Holding Group (Shanghai) Company Ltd. and Reach Shipping Lines, and that Daniel Y. He is a principal executive officer, or person performing similar functions and with similar authorities, of Reach Holding Group (Shanghai) Company Ltd. for the purposes of section 6(a)(11) of ISA, and selected sanctions described in section 6(a) of ISA to be imposed with respect to these persons.

**DATES:** The Secretary of State's determinations and selection of certain sanctions to be imposed upon the entities and individuals identified in the SUPPLEMENTARY INFORMATION section were effective on October 19, 2020.

**FOR FURTHER INFORMATION CONTACT:** Office of Counterproliferation Initiatives, Bureau of International Security and Nonproliferation, Department of State, Washington, DC 20520, tel.: 202-736-7065, or CPI-Sanctions@state.gov.

**SUPPLEMENTARY INFORMATION:**

Pursuant to section 1244(d)(1)(A) of IFCA and Presidential Memorandum of June 3, 2013 (“Delegation of Certain Functions and Authorities Under the Iran Freedom and Counter-Proliferation Act of 2012”), the Secretary of State, in consultation with the Secretaries of the Treasury and Commerce and the United States Trade Representative, and with the Secretary of Homeland Security, the President of the Export-Import Bank of the United States, and the Chairman of the Board of Governors of the Federal Reserve System and other agencies as appropriate, shall impose five or more of the sanctions described in section 6(a) of ISA with respect to a person if the Secretary of State determines that the person knowingly, on or after the date that is 180 days after the enactment of IFCA, sells, supplies, or transfers to or from Iran goods or services described in section 1244(d)(3) of IFCA, subject to certain exceptions. Goods or services described in section 1244(d)(3) of IFCA are significant goods or services used in connection with the energy, shipping, or shipbuilding sectors of Iran, including the National Iranian Oil Company, the National Iranian Tanker Company, and the Islamic Republic of Iran Shipping Lines.

On October 19, 2020, the Secretary of State determined that each of Reach Holding Group (Shanghai) Company Ltd., Reach Shipping Lines, Delight Shipping Co., Ltd., Gracious Shipping Co. Ltd., Noble Shipping Co. Ltd. and Supreme Shipping Co. Ltd. met the criteria for the imposition of sanctions pursuant to section 1244(d)(1)(A) of IFCA.

The Secretary of State approved the imposition of the following sanctions under sections 6(a)(3), (6), (7), (8), (9) and (11) of ISA with respect to Reach Holding Group (Shanghai) Company Ltd. and Reach Shipping Lines:

- The United States Government may prohibit any United States financial institution from making loans or providing credits to any sanctioned person totaling more than \$10,000,000 in any 12-month period unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which the sanctioned person has any interest.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the sanctioned person.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any person from acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property that is subject to the jurisdiction of the United States and with respect to which the sanctioned person has any interest; dealing in or exercising any right, power, or privilege with respect to such property; or conducting any transaction involving such property.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any United States person from investing in or purchasing significant amounts of equity or debt instruments of a sanctioned person.

- The President may impose on the principal executive officer or officers of any sanctioned person, or on persons performing similar functions and with similar authorities as such officer or officers, any of the sanctions under section 6(a) of ISA.

In addition, the Secretary of State approved the imposition of the following sanctions under sections 6(a)(3), (6), (7), (8), and (9) of ISA with respect to Delight Shipping Co., Ltd., Gracious Shipping Co. Ltd., Noble Shipping Co. Ltd. and Supreme Shipping Co. Ltd.:

- The United States Government may prohibit any United States financial institution from making loans or providing credits to any sanctioned person totaling more than \$10,000,000 in any 12-month period unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which the sanctioned person has any interest.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the sanctioned person.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any person from acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property that is subject to the jurisdiction of the United States and with respect to which the sanctioned person has any interest; dealing in or exercising any right, power, or privilege

with respect to such property; or conducting any transaction involving such property.

- The President may, pursuant to such regulations as the President may prescribe, prohibit any United States person from investing in or purchasing significant amounts of equity or debt instruments of a sanctioned person.

In addition, the Secretary of State determined that Eric Chen is a principal executive officer, or person performing similar functions and with similar authorities, of Reach Holding Group (Shanghai) Company Ltd. and Reach Shipping Lines, and that Daniel Y. He is a principal executive officer, or person performing similar functions and with similar authorities, of Reach Holding Group (Shanghai) Company Ltd. for the purposes of section 6(a)(11) of ISA, and approved the imposition of the following sanctions under sections 6(a)(3), (6), (7), (8), and (9) of ISA with respect to Eric Chen and Daniel Y. He:

- The United States Government may prohibit any United States financial institution from making loans or providing credits to any sanctioned person totaling more than \$10,000,000 in any 12-month period unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which the sanctioned person has any interest.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the sanctioned person.

- The President may, pursuant to such regulations as the President may prescribe, prohibit any person from acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property that is subject to the jurisdiction of the United States and with respect to which the sanctioned person has any interest; dealing in or exercising any right, power, or privilege with respect to such property; or conducting any transaction involving such property.
- The President may, pursuant to such regulations as the President may prescribe, prohibit any United States person from investing in or purchasing significant amounts of equity or debt instruments of a sanctioned person.

In addition, pursuant to section 6(a)(10) of ISA, the President may direct the Secretary of State to deny a visa to, and the Secretary of Homeland Security to exclude from the United States, any alien that the President determines is a corporate officer or principal of, or a shareholder with a controlling interest in, a sanctioned person subject to this action.

**Zachary A. Parker,**

*Director,*

*Office of Directives Management.*