

Ongoing Sanctions in the Middle East

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A Comprehensive Mapping

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EXECUTIVE SUMMARY

Jeffrey Love

No region has been sanctioned as heavily as the Middle East. For the last 50 years, economic sanctions have been at the core of many Western countries' foreign policies in the Middle East. They have been used to prevent proliferation, deter conflict, and constrain many of the states in the region. However their effects on Middle Eastern economies have been devastating. Many sanctions regimes are still in place in the region, however their impacts are largely overshadowed by collective Western sanctions against Russia.

From the United Nations' 13-year comprehensive embargo on Iraq to the United States' current sanctions against Iran, economic sanctions have been an extremely powerful and destructive tool of foreign policy in the Middle East. Sanctions were first used prominently by the United States in 1979 to apply pressure on Iran to release American diplomats being held in the embassy in Tehran. Since 1979, U.S. sanctions against Iran have remained in place. Sanctions were used again against Iraq in 1990, Afghanistan in 1999, Libya in 2011, and Syria in 2014. Sanctions have also been imposed on Turkey, Lebanon, Saudi Arabia, Qatar, and Gaza. These cases form the basis for this report's analysis.

Economic sanctions against Middle Eastern states and regions have taken a variety of forms ranging from complete embargos to asset freezes for just one individual. While the general practice in the late 20th century was to inflict as much economic damage as possible with the hope of inducing pressure upon a leader, modern sanctions regimes target specific individuals and entities within governments or organisations in an attempt to limit their capacity to engage in policies which are unfavourable to the sending state, or force a recalculation of the costs of non-compliance with the demands of the sanctions. Modern sanctions also include specific measures to reduce the intensity of conflicts. For instance, arms embargoes prevent civil wars from taking excessive lives. Tools such as SWIFT have also been employed to enhance the effectiveness of sanctions by deterring investment in key sectors in the target state, such as the military or aerospace industry.

However, economic sanctions do not seem to be particularly effective against Middle Eastern states. One of the greatest victories for economic sanctions came in 2003 when the United States determined that Iraq's nuclear program had been unsuccessful in developing a weapon of mass destruction, largely due to the availability of materials. Instead, economic sanctions have generally failed to achieve their goals. For instance, economic sanctions against Syria were not successful in preventing the Assad regime from using poison gas against civilians. Likewise, ISIS waged a relatively successful terrorist campaign in conjunction with Al-Qaeda



despite being sanctioned for over 15 years. The 11 sanctions regimes that will be investigated in this report show little signs of being successful, and are thus unlikely to be repealed in the near future.

This comprehensive report investigates ongoing sanctions in the Middle East. It delves into the causes, makeup, and impact of sanctions across 11 Middle Eastern countries and territories. It utilises the wealth of public resources on economic sanctions, including Special Designated Nationals (SDN) lists, economic data, and a variety of independent accounts from NGOs and similar sources to map the causes and effects. Thus the report is divided into two sections:

- **Section 1** provides a historical overview of the use of economic sanctions as a tool of foreign policy and their use in the Middle East. Specifically, it covers the impact of sanctions on Iran, Libya, Yemen, and Syria. This section then discusses the three main senders of economic sanctions, and why China is not one.
- **Section 2** analyses in detail the ongoing sanctions regimes against all 11 Middle Eastern states impacted by sanctions. Specifically, this section aims to develop a timeline for each sanctions regime, map the key actors, determine the economic and social costs, and assess the effectiveness of each case.



SECTION 1: Background

Vitas Carosella

Economic sanctions are a coercive tool born out of the interwar period. As the dust settled after World War I, the victors, under the guidance of U.S. President Woodrow Wilson sought to create a new liberal international order, which would help prevent future wars and their associated atrocities. The League of Nations - the first intergovernmental institution - was established as a mechanism to bind states together through institutional diplomacy, universal norms and values. The League's [purpose](#), as expressed in its founding covenant, was "to promote cooperation and to achieve international peace and security."¹

The institutional precursor to the United Nations was an attempt to usher in a new era of multilateral cooperation. The Member States of the League were bound by its charter to solve disputes peacefully, reduce armaments, follow international law and give up secret diplomacy. The barbarity of the First World War was such that it pushed the founding members to find ways to avoid another war at all costs. [Article 16](#) of the League of Nations Covenant mandated that if any nation resorted to war, all Member States must automatically enforce a collective trade embargo against said state. Moreover, they should restrict any financial, commercial or personal interactions between the aggressor state and any other entity, be it a League member or not.² Article 16 is by definition the modern birth of economic sanctions.

While the concept of coercing an enemy to force a behavioural change was not groundbreaking, Article 16 began the process of formalising economic sanctions as a concrete foreign policy tool recognized by the new international order. Similar to how a siege was used in mediaeval times to starve the opposition and force them to succumb, economic sanctions are now used to coerce, deter, punish or shame target entities until they give in to certain demands.

As [defined](#) by the Council on Foreign Relations, economic sanctions are "the withdrawal of customary trade and financial relations for foreign - and security - policy purposes."³ They are generally used to alter strategies and approaches of state and non-state actors, and can be broad in their scope or targeted towards specific individuals or entities. Their efficacy has

¹UN GENEVA. "The League of Nations | UN GENEVA," n.d.

<https://www.ungeneva.org/en/library-archives/league-of-nations#:~:text=The%20League%20of%20Nations%20>

²UN GENEVA. "The Covenant of the League of Nations | UN GENEVA," n.d.

<https://www.ungeneva.org/en/library-archives/league-of-nations/covenant>.

³Masters, Jonathan. "What Are Economic Sanctions?" Council on Foreign Relations, August 12, 2019.

<https://www.cfr.org/backgrounder/what-are-economic-sanctions>.



long been disputed, but they are recognized as an alternative tool to war in international diplomacy.

However, Woodrow Wilson never intended for sanctions to be used, only for their use to be threatened. As historian Benjamin Coates [explains](#), Wilson saw economic sanctions as “a terrible remedy,” and a tool so powerful that it would cause any nation-state to think twice before menacing another.⁴ The former president [described](#) them as “something more tremendous than war,” and “absolute isolation” from the international economy.⁵ In essence, a deterrent or scare tactic other than military force that would cause nations-states and non-state actors to think twice before disrupting international order. Yet when enforced, sanctions had the power to cause deprivation and make a specific actor destitute, all but ensuring limited challenges to the new Versailles order.

Wilson’s idea that sanctions should not be used due to their unthinkable power and ability to manipulate the world economy was quickly put to bed. Sanctions regimes - referred to as “the economic weapon” in the interwar period - were implemented for the first time in the 1930s against rising Axis powers Italy and Japan.

Mussolini’s Italy was [sanctioned](#) in 1935-1936 in an effort to dissuade aggression towards Ethiopia. Comprehensive sanctions helped weaken the national economy - which was highly export based at the time - with exports falling by a staggering 47% within the first five months. However, the sanctions regime failed to achieve its goal. Italy successfully invaded Ethiopia thanks in large part to the fact that the U.S. and Germany were not members of the League of Nations, and therefore did not participate in the sanctions regime. Instead, both nations sold them coal and oil, which helped the Italian war machine endure what otherwise would have been crippling sanctions.⁶

Despite proving unsuccessful against Italy, the liberal international order once again turned to the economic weapon in response to Japan’s aggression towards China in the late 1930s. By this point, Japan’s economy was open and largely dependent on global trade, especially to import crucial manufacturing materials and energy supplies. Widespread sanctions enforced not only by the League of Nations, but also by the British Empire, its colonial outposts in the Pacific, the Netherlands and the United States were [devastating](#) to the Japanese economy.

⁴Origins. “A Century of Sanctions,” n.d.

https://origins.osu.edu/article/economic-sanctions-history-trump-global?language_content_entity=en.

⁵Tk. “The History of Economic Sanctions as a Tool of War.” Yale University Press, April 12, 2022.

<https://yalebooks.yale.edu/2022/02/24/the-history-of-economic-sanctions-as-a-tool-of-war/>.

⁶IMF. “The Sanctions Weapon,” June 2, 2022.

<https://www.imf.org/en/Publications/fandd/issues/2022/06/the-sanctions-weapon-mulder>.



The sanctions regime choked the Japanese economy. The U.S. froze Yen reserves, and together with the British and Dutch imposed a full oil embargo, reducing Japanese trade and the island nation's ability to wage war. But sanctions still did not produce the desired outcome. Instead of coercing Japan to end its war in China, the sanctions pushed Japan to the brink, leaving it with fuel shortages and a lack of materials with which to manufacture weaponry. As such, Japan took drastic action, and attacked the U.S. and British colonies in search of new raw materials.

During World War II widespread economic sanctions were not used, but economic restrictions were. The United States President Franklin Delano Roosevelt froze European assets in U.S. banks as Nazi Germany began invading the continent. This kept millions of dollars worth of assets out of Nazi hands, effectively limiting their purchasing and trade power. After the war, sanctions were more firmly established as a prominent tool to support the liberal international order.

As the world map was redrawn in the postwar era, serious steps were taken to ensure a future without war. The League of Nations was dissolved, giving way to the more robust United Nations in late 1945. The new institution became the beacon of liberal international order and the strength of multilateralism as the world tried to move beyond war. The new governing body was endowed with the capacity to carry out sanctions regimes in order to prevent war and promote international peace and order.

As stated in [Article 41](#) of Chapter VII of the UN's charter, the United Nations Security Council (UNSC) can take action on behalf of all Member States to maintain or restore international peace and security with non-military means. The enforcement options for the UNSC "include complete or partial interruption of economic relations and of rail, sea, air, postal, telegraphic, radio, and other means of communication, and the severance of diplomatic relations."⁷ Economic sanctions were not implemented by the UN until 1966, when they were imposed on Rhodesia. They were later used again to isolate apartheid South Africa, before becoming more commonplace in the 1990s and 2000s.

Like the United Nations, in the postwar era, the United States began codifying its capacity to use economic sanctions. By 1949 it passed the Export Control Act, which gave the government control over U.S. trade with so-called "enemies." This also led to the creation of the Trading with the Enemies Act and later the U.S. Treasury Department's Office of Foreign Asset Controls (OFAC). As Benjamin Coates [explains](#), the U.S. used these new tools to declare a national emergency and began limiting exports to the Soviet Bloc during the Cold

⁷United Nations, Charter of the United Nations, 24 October 1945, 1 UNTS XVI, available at: <https://www.refworld.org/docid/3ae6b3930.html> [accessed 23 March 2023]



War. It also embargoed trade with North Korea and China and extended economic sanctions to Vietnam, Cambodia and Cuba.⁸

With the fall of the Soviet Union and the shift to a unipolar world, economic sanctions have become the primary tool of choice of the Western world. Since the 1990s there has been an explosion of sanctions regimes, with the U.S., EU, UK and the UN all imposing sanctions as a means of promoting global norms, enforcing humanitarian projects and maintaining their grip on the international order. Iran, Iraq, Libya, Syria, Venezuela, Cuba and now Russia have all been subjected to extremely harsh targeted or holistic economic sanctions. The freezing of assets, trade embargoes and exclusion from the global economy have led to humanitarian disasters in some of these nations and in some cases complete state collapse.

Iraq and the Debate over Implementation

As the use of economic sanctions regimes has grown, so has the evidence of their destructiveness. Such evidence has increased scepticism about the efficacy of sanctions and has increased debate over the implementation of sanctions. Over the years, discussions on broad-based sanctions and targeted efforts have also grown.

Devised as a tool more benign than war to dissuade aggressive action and non-compliance with the norms of the liberal international order, sanctions have proven to be crippling, yet typically ineffective. Initially, broad-based sanctions were implemented, looking to choke the target state's economy as was the case in Italy, Japan, Rhodesia and then South Africa. These comprehensive regimes had their issues, but it was not until the crushing sanctions imposed on Iraq in the 1990s and 2000s that the international community truly understood the humanitarian consequences of the economic weapon.

UN Resolution 661, adopted on August 6, 1990, prohibited all imports and exports with Iraq, with small exceptions being made for certain medicines.⁹ This resolution was adopted in rapid response to the Iraqi invasion of Kuwait. It had the full backing of the international community, but Hussein still refused to remove his troops from Kuwaiti territory. As such, military force was used, and a US-led peacekeeping mission began. All the while, economic sanctions remained in place.

Operations [Desert Storm](#) and [Desert Shield](#), in combination with crushing sanctions, eventually proved enough to force Hussein's forces out of Kuwait. But sanctions continued in Iraq for the entire decade and into the next one. They were designed to prevent the

⁸Origins. "A Century of Sanctions"

⁹Woodward, Michelle. "The Enduring Lessons of the Iraq Sanctions - MERIP." MERIP, June 15, 2020. <https://merip.org/2020/06/the-enduring-lessons-of-the-iraq-sanctions/>.



proliferation of chemical, nuclear and biological weapons in Iraq. But between the sanctions and the bombing campaigns, the Iraqi people were left with a lack of electricity, transportation, food and medical supplies.

The U.S., UK and Canada exacerbated the humanitarian crisis by interpreting clauses in Resolution 661 in an extreme manner. The resolution had clauses allowing for humanitarian aid to be distributed to citizens as needed, but the Western states required “irrefutable evidence of famine” before allowing food to be sent. This delayed initial food shipments to Iraq by eight months, leaving adults and children starving.

Moreover, the U.S. continued blocking other forms of aid like sanitation equipment, agricultural equipment, water, clothing and educational materials. The rationale was that the goods being sent could be used not only for civilian purposes but for military ones. These “dual use” goods were therefore denied on the basis of security concerns, leaving millions without necessary relief. Eventually a United Nations Goods Review List was used to establish what goods could be considered single use (for civilians) and which were dual use (for civilian or military purposes). However, the list mostly reflected the views of the U.S. who were primarily concerned about security risks and imposing their will in the region. As such, billions of dollars worth of aid were blocked or delayed from entering Iraq in the 1990s.

The Oil for Food Programme established by the UN in 1995 allowed Iraq to sell its oil in exchange for humanitarian goods. The premise was sound, but the implementation lacked oversight and used retroactive oil pricing which made their product unreliable and expensive. Oil sales collapsed and 30% of the sales that were made was sent to Kuwait as reparations. The economy – highly dependent on the oil trade – was crippled. With a bankrupt state, civil servants and teachers no longer received sufficient salaries. Over 40,000 teachers left their posts in the 1990s, and over time qualified staff disappeared throughout the country. After a fact finding mission in 1999, Anupama Rao Singh, the head of UNICEF Iraq, warned the U.S. Congress and the UN of the devastating consequences of the ongoing economic sanctions.¹⁰

The sanctions regimes, enforced by the UN and later the U.S. and UK continued into the 2000s. The goal of the sanctions shifted from the UN attempting to peacefully halt Iraqi aggression in Kuwait, to the U.S. and UK seeking to destabilise the Hussein regime and establish Western norms in Iraq. But regardless of their aim, their legacy is their evisceration of Iraqi society. Shelling and broad-based sanctions created a nation with low literacy rates, under qualified staff for key jobs, a less cosmopolitan society and ongoing, widespread malnutrition, especially amongst children.

¹⁰Woodward, Michelle. “The Enduring Lessons of the Iraq Sanctions - MERIP”



In light of the humanitarian and societal crisis caused by broad-based sanctions in Iraq, and the September 11 terror attacks in the US, the international community called for a change in sanctions strategy. There was a recognition that comprehensive sanctions were effective in causing GDP declines, and crippling trade, but they did not ensure compliance. They were especially ineffective if the [authoritarian] government was willing to let their citizens suffer in an attempt to outlast sanctions.¹¹ Moreover, the side effects of broad sanctions were indiscriminate, weakening the economic welfare of ordinary citizens. Thus after several international conferences seeking to improve sanctions' efficiency, targeted sanctions, also known as smart sanctions, were introduced.

“Targeted sanctions are intended to be directed at individuals, companies and organisations, or restrict trade with key commodities.”¹² They can be implemented via financial bans and restrictions, trade restrictions on particular goods or services, travel restrictions, diplomatic constraints, cultural restrictions and air traffic restrictions. The direct nature of these types of sanctions is supposed to mitigate the type of humanitarian catastrophe that occurred in Iraq.

Smart sanctions establish individual responsibility and seek to cripple the target in the most direct way possible. Exposing the exact target also allows for greater third party compliance via secondary sanctions. Secondary sanctions “impose penalties on persons and organisations not subject to the sanctioning country’s legal jurisdiction and are applied against entities engaged in the same dealings prohibited under primary sanctions.”¹³ In recent years, these sanctions have been used by the United States - particularly in the cases of Syria and Iran - to restrict potential backdoor dealing with the sanctioned entity. Secondary sanctions tend to breed fear and over compliance, but also contempt. Financial institutions, traders and investors fear potential fines for doing business with sanctioned entities, but the financial strain put on allies sows division amongst friends.

As the implementation of sanctions has evolved, so has the study of their efficacy. While they are still widely used today - mostly by the U.S. - they are a fairly blunt tool when not part of a wider foreign policy strategy with limited and clear objectives. They are appealing due to

¹¹“Babel: U.S. Power and Influence in the Middle East Part Three.” Interview by Jon B Alterman, March 22, 2022. Accessed March 24, 2023.

<https://www.csis.org/podcasts/us-power-and-influence-middle-east/us-power-and-influence-middle-east-part-three>.

¹²State Secretariat for Economic Affairs SECO. “Smart Sanctions – Targeted Sanctions,” n.d.

https://www.seco.admin.ch/seco/en/home/Aussenwirtschaftspolitik_Wirtschaftliche_Zusammenarbeit/Wirtschaftsbeziehungen/exportkontrollen-und-sanktionen/sanktionen-embargos/smart-sanctions--gezielte-sanktionen.html#:~:text=Targeted%20sanctions%20are%20intended%20to.ban%20on%20transactions%2C%20investment%20restrictions).

¹³Dow Jones. “What Are Secondary Sanctions? | Dow Jones.” Dow Jones Professional, February 15, 2023. <https://www.dowjones.com/professional/risk/glossary/sanctions/secondary-sanctions/>.



their low cost and because they give the appearance of action while avoiding military force. Yet, they rarely complete their objective and often have devastating humanitarian effects. They allow for the manipulation of the economy, but often create spaces for black market trading, and push authoritarian regimes closer together. Rachel Ziemba, a fellow at the Center for New American Security [explains](#) it best: “It’s hard to come up with examples of sanctions working. There are not a lot, which in and of itself says something.”¹⁴ However, what matters most is the comparative utility of sanctions compared to other options. So far, no more convenient tool has been unearthed, so they continue to be used.

A History of Sanctions in the Middle East

No area of the world has seen greater implementation of the economic weapon than the Middle East and North Africa. Since the onset of the Iranian Islamic Revolution sanctions regimes have been commonplace across the region. Whether to combat terrorism, nuclear proliferation, authoritarian regimes, illicit drug trade or to defend human rights, broad-based and targeted economic sanctions have been used by Western states and the United Nations. The sanctions used in Iraq in the 1990s and 2000s are the most notorious example in the Middle East. They caused world leaders to reconceptualize their use of sanctions. Below some of the other notable examples of economic sanctions in the Middle East are quickly examined.

Iran

U.S. economic sanctions in Iran date back to 1979 when the U.S. embassy was seized by a protesting radicals student group. In response President Carter issued [Executive Order 12170](#) which imposed a ban on Iranian oil and froze all Iranian assets in the US, worth roughly \$12 billion. Later the sanctions escalated and included a travel ban and embargoed all trade from Iran.¹⁵

Since 1979, the U.S. has sanctioned Iran both comprehensively and with smart sanctions under six more presidential administrations. The EU and the UN have also sanctioned Iran with targeted sanctions relating to nuclear proliferation and arms trade. The most notable sanctions of late have come from the U.S. and are an attempt to limit Iran’s nuclear capacity. These sanctions, which were lifted in 2015 when the Joint Comprehensive Plan of Action ([JCPOA](#)) was signed, freed up over \$100 billion in frozen Iranian assets. The sanctions were then reinstated under President Trump and reinforced under President Biden. The EU disagreed with the reinstatement of sanctions and in turn created a [Special Purpose Vehicle](#)

¹⁴Guyer, Jonathan. “How Sanctions Became Biden’s Weapon of Choice against Russia.” Vox, May 9, 2022. <https://www.vox.com/23041830/technocrats-waging-bidens-war-sanctions-russia>.

¹⁵The Iran Primer. “U.S. Sanctions,” March 17, 2016. <https://iranprimer.usip.org/resource/us-sanctions>.



(SPV) to provide humanitarian aid to Iran and avoid U.S. secondary sanctions. These, and all ongoing sanctions regimes in Iran will be expounded upon later in this report.

Libya

The UNSC imposed sanctions on Libya in April of 2011 in response to human rights violations perpetrated by President Ghaddafi. By October Ghaddafi had been killed and the sanctions were lifted. But targeted sanctions freezing the assets of the Libyan Investment Authority (LIA) and the Libya African Investment Portfolio were implemented. These sanctions will be lifted when the internationally recognised government regains control of investment assets.¹⁶

Despite the sanctions, and later a NATO-led military intervention, Libya's approach to human rights has not been greatly altered. Moreover, the loss of Ghaddafi brought about the collapse of the Libyan government and the economy at large. According to scholars at the Sustainable Development Policy Institute, these sanctions were largely an attempt by the U.S. and the UN to impose cultural norms and change the power structures in Libya. While they successfully crippled the economy, they did not increase democracy in the nation.¹⁷

Yemen

The UN, the EU and the U.S. have all used targeted sanctions regimes in Yemen in an attempt to weaken the Houthi rebels and other groups seeking to undermine the internationally recognised Yemeni government. In particular travel bans and asset freezes have been used to limit rebel movement and purchasing power. The UN and the U.S. have also targeted members of the group Al Qaeda in the Arabian Peninsula (AQAP) and other Islamic militant groups in the region.¹⁸ Despite sanctions, the civil war is ongoing with larger powers in the region funding both sides and allowing them to skirt the pressure of sanctions.

Syria

The Syrian government has been listed as a state sponsor of terrorism by the U.S. since 1979.¹⁹ Since then, the U.S. has imposed certain sanctions, most recently targeting the Assad regime due to the civil war and associated human rights abuses. The U.S. and the EU have both sanctioned the regime and its known associates in the hopes of choking the national economy and ending the civil war.

¹⁶ S-RM. "GLOBAL SANCTIONS REPORT 2019 | MIDDLE EAST & NORTH AFRICA - S-RM," November 24, 2021. <https://www.s-rminform.com/global-sanctions-report-2019-middle-east-north-africa/>.

¹⁷ Umar, Muhammad Awais, Ahmed Awais Khaver, and Shafqat Munir Ahmad. "Diplomatic Coercion in the Middle East." Dimensions of Diplomatic Coercion in the Middle East. Sustainable Development Policy Institute, 2019. <http://www.jstor.org/stable/resrep24378.5>.

¹⁸ S-RM. "GLOBAL SANCTIONS REPORT 2019 | MIDDLE EAST & NORTH AFRICA - S-RM,"

¹⁹ Ibid.



The main targets of the sanctions regimes have been investment, finance, oil and products such as chemicals, gold, metals and other equipment that could be used for weapons. Economic sanctions have proven a convenient way for the U.S. and the EU to show action without blatantly involving themselves in the Syrian War. Yet, the sanctions and targeted drone strikes have not been sufficient to dislodge Assad or change his behaviours.

Both China and Russia have been involved in helping the Syrian government withstand Western sanctions, by vetoing potential UN sanctions and providing trade opportunities. In the wake of the recent earthquake, Assad is using newfound good will towards Syria to rekindle regional relationships and advocate for the removal of Western sanctions. With many Middle Eastern states looking for greater regional stability this might just be a possibility. Even the UN has [said](#) that the isolation of Syria cannot continue. But the U.S. and the EU have only agreed to remove sanctions once the conflict has ceased.

Who Implements Sanctions and Why?

In theory, economic sanctions can be implemented by any nation-state or non-state actor. However, there are few who have the diplomatic power and capacity to enact and enforce them. The primary actors that have historically implemented sanctions regimes and continue to do so are the United Nations, the European Union, the United Kingdom and most importantly the United States. These state and non-state actors have the fiscal power, trade importance, political alliances and legal authority to carry-out sanctions regimes. Other smaller states such as Australia and Japan also enact sanctions, typically in-line with those of their closest allies the U.S. and the EU.

The United Nations

While initially hesitant to enact economic sanctions regimes, using them just twice in forty years, the United Nations has now implemented thirty regimes since 1966, with fourteen ongoing. It claims that it primarily applies economic sanctions to “support peaceful transitions, deter non-constitutional changes, constrain terrorism, protect human rights and promote non-proliferation.”²⁰

For UN sanctions resolutions to be enacted, they must pass a fifteen-member council majority vote and no UNSC permanent member can veto them. Once enacted, they are monitored by special committees or monitoring groups and are enforced under the authority of each UN Member State.²¹ The sanctions can be comprehensive, banning all economic and trade

²⁰ “Sanctions | United Nations Security Council,” n.d. <https://www.un.org/securitycouncil/sanctions/information>.

²¹ Masters, “What Are Economic Sanctions?”



activity with the target, or they can be more specific using travel bans, targeting specific assets or restricting certain commodities.

According to the [UN](#), they currently focus on political settlement of conflicts, nuclear non-proliferation and counter-terrorism. However, they note their sanctions regimes aim to be non-punitive and that “the Council applies sanctions with ever-increasing cognisance of the right of those targeted.”²² Unlike nation-states who use economic sanctions as a foreign policy tool, the UN uses them as a way of maintaining order and promoting global norms.

The UN recognises that economic sanctions are not a solution to international conflict, merely a tool that can be used to help manage them, and that they are most-effective when applied as part of a comprehensive strategy to deal with the target. This does not take away from the fact that past UN sanctions regimes have been the cause of huge humanitarian crises, most notably in Iraq, where they caused widespread malnutrition, and limited basic services.

The European Union

European Union economic sanctions, also referred to as “restrictive measures,” can be enacted with a unanimous vote from the Member States of the Council of the European Union. Individual Member States are responsible for their implementation and enforcement, and are at liberty to enforce even harsher sanctions within their own jurisdictions. Since the 1990s, the EU has implemented over thirty sanctions regimes, not including the UN mandated regimes to which EU Member States also subscribe.²³

The [EU](#) defines economic sanctions as a non punitive and essential foreign policy tool in the Common Foreign and Security Policy (CFSP). They are used by the EU to bring about change in policy or activity, promote international peace and security, prevent conflict and support democracy, rule of law and human rights. The sanctions are binding to EU Member states and any business involved in trade within EU borders. The EU prefers the use of targeted and proportional sanctions, to avoid any unintended humanitarian consequences. Sanctions can be targeted at foreign nations, companies, organisations or individuals and can focus on arms embargoes, travel bans, asset freezes and restrictions on import and export trade.²⁴

As a key foreign policy tool, the EU uses sanctions to impose their values across the world or to signal displeasure with a specific entity. This has often been seen in regards to what it

²² Sanctions, United Nations Security Council, paragraph 5

²³ Masters, “What Are Economic Sanctions?”

²⁴ Finance. “Overview of Sanctions and Related Resources,” n.d.

https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/overview-sanctions-and-related-resources_en.



deems to be human rights abuses. The EU tends to implement sanctions multilaterally in conjunction with the UN, the U.S. and other Western allies, although this is not always the case.

The United States

Since bipolarity shifted to unipolarity the United States has been the primary sanctioner (even states and municipalities within the country are using them). As the world hegemon, the U.S. began sanctioning entities as it saw fit, citing national security concerns, human rights abuses and terrorism. The U.S. has used comprehensive sanctions, targeted sanctions and more recently secondary sanctions in the attempts to achieve its stated targets or to signal displeasure. In the post September 11 era, targeted financial sanctions have been the American weapon of choice, although most scholars agree that sanctions of all kinds are now the US's primary tool to assert international primacy.

American sanctions originate in either the executive branch or the legislative branch. Over the past decades the U.S. has developed a very sophisticated sanctions system which the Department of the Treasury oversees with the help of the Department of State, the Justice Department and the National Security Council. The Office of Foreign Assets Control ([OFAC](#)) - within the Treasury Department - manages the embargo programs and the Specially Designated Nationals (SDNs) and Blocked Persons lists. The SDP list targets all transactions and assets for individuals, corporations, charities and governments. By sanctioning these entities the goal is to cut them off from their liquid assets and suspend their activities.²⁵

In a [review](#) of U.S. sanctions ordered by the Biden Administration, the Treasury Department acknowledged that economic sanctions have become “the tool of first resort to address national security, foreign policy and the economy.” Sanctions are so appealing to the U.S. because they “deliver maximum impact at minimum cost.”²⁶ This is due to the US's premium place in the financial system. The dollar is the world currency, with over 88% of all foreign exchange transactions being cleared in dollars in 2019.²⁷ This makes it central to global markets which the U.S. has taken advantage of. The U.S. had sanctioned over 9,400 entities by 2021, that is an increase of 930% in the last twenty years.²⁸ However, other nations have realised that dollar primacy is what strengthens U.S. sanctions and so they have pushed to shift financial markets away from the dollar, albeit somewhat unsuccessfully still.

²⁵ Hicham Safieddine "Consequences of U.S. Financial Warfare in the Middle East," Middle East Report 294 (Spring 2020).

²⁶ Ibid.

²⁷ Ibid

²⁸ “Babel: U.S. Power and Influence in the Middle East Part Three.”



Unlike its Western allies, the U.S. has been unafraid to implement unilateral sanctions regimes. Most [experts](#) agree that without a focused objective and comprehensive foreign policy agenda, unilateral sanctions do the American reputation more harm than good. They harm U.S. public and private economic interests and fail to change target behaviour. The more they are used, the weaker the threat of U.S. sanctions becomes. Similarly, the use of secondary sanctions, while economically crushing, do more harm than good. They create strong anti-American sentiment even amongst allies and the use of them is an admission to the world that the U.S. could not convince its own allies through diplomatic channels to support what it is doing.

In the words of the Treasury Department, “sanctions allow U.S. policymakers to impose a material cost on adversaries to deter or disrupt behaviour that undermines U.S. national security and signal a clear policy stance.”²⁹ Until dollar primacy is weakened, the U.S. will continue to use economic sanctions as their primary foreign policy tool, even if market interdependence means that occasionally these sanctions hurt U.S. business owners, and even as over-reliance on them “underestimates their cost and overestimates their benefit.”³⁰

Why Not China?

Unlike the aforementioned actors, China does not root its foreign policy in economic sanctions. Despite being the largest trading nation and the second largest recipient of foreign investment,³¹ China does not possess a central position in the financial system like the U.S. does. The yuan is comparatively weak and most business is still processed in dollars. Sanctions from China therefore have limited effect when compared to Western sanctions.

In response, China is seeking to become more self-sufficient. It is developing more products and has created CIPS - a parallel financial system operating in yuan - to counter the Belgian SWIFT and U.S. CHIPS systems. But these more established systems continue to give the U.S. power over the global financial system. The CIPS system has been developed to “insulate China against the threat of eviction from the world’s financial plumbing.”

²⁹ United States Department of the Treasury. “U.S. Department of the Treasury Releases Sanctions Review.” Press release, October 18, 2021. <https://home.treasury.gov/news/press-releases/jy0413>.

³⁰ Goitein, Elizabeth. “The Biden Administration’s Disappointing Sanctions Report: What Should Come Next - Just Security.” Just Security, October 29, 2021. <https://www.justsecurity.org/78785/the-biden-administrations-disappointing-sanctions-report-what-should-come-next/>.

³¹ The National Bureau of Asian Research. “China’s Sanctions Strategy and Its Implications - The National Bureau of Asian Research (NBR).” The National Bureau of Asian Research (NBR), November 1, 2022. <https://www.nbr.org/publication/chinas-sanctions-strategy-and-its-implications/>.



Something which has been contemplated due to Chinese actions in Hong Kong and Xinjiang.³²

The sanctions imposed by other nations also open a space for Chinese investment and trade. China has greatly benefited by flooding the Iranian market full of Chinese goods and it has secured a long-term surveillance technology [deal](#). It has also strengthened ties with Russia in recent weeks and has shown its ability to successfully de-escalate tensions in the Middle East. These partnerships help establish strong diplomatic ties with nation-states and individual actors who are in desperate need of trade and who can prove to be vital allies.

[According to Yukon Huang](#), senior fellow at Carnegie Endowment for International Peace's Asia Program, historically China would express displeasure by banning cultural exchanges. Now it has the domestic market power to signal displeasure via restrictive trade measures. By slowing supply chains and threatening corporations with large manufacturing hubs within their borders, China can greatly affect corporate revenues and effect behavioural change without ever using sanctions. However, this does hurt its own workforce.

China also suffers from international mistrust. Although it has strong influence over its neighbours, international distrust in China has increased during and post-pandemic. Imposing sanctions could further sow distrust and worsen public sentiment. Currently 82% of Americans already have an unfavourable view of China.³³ The nation cannot afford to take more reputational damage.

The limited amount of sanctions China does impose are used to portray party strength within the nation. They are an attempt to signal displeasure at foreign interference and stoke national pride and confidence in the Chinese Communist Party (CCP). China does not condone foreign interference regarding what it considers domestic issues - Taiwan, Tibet, Xinjiang, Hong Kong or the South China Sea. Therefore it cannot and does not sanction other nations based on their domestic affairs.

³² The Economist. "China Wants to Insulate Itself against Western Sanctions," February 24, 2022. <https://www.economist.com/business/china-wants-to-insulate-itself-against-western-sanctions/21807805>.

³³ Silver, Laura. "Some Americans' Views of China Turned More Negative after 2020, but Others Became More Positive." Pew Research Center, September 28, 2022. <https://www.pewresearch.org/fact-tank/2022/09/28/some-americans-views-of-china-turned-more-negative-after-2020-but-others-became-more-positive/>.



Currently China prefers to keep a lower profile and strengthen trade ties with partners around the world while staying out of regional affairs. However, as their diplomatic prowess grows and financial markets move away from dollar dominance this pattern will be tested. China may yet expand their foreign policy toolkit to include economic sanctions.

Recap

Sanctions, whatever their efficacy and intended purpose, are still in frequent use today. As historian Nicholas Mulder [notes](#), sanctions are “one of liberal internationalism’s most enduring innovations of the twentieth century and key to understanding its paradoxical approach to war and peace.”³⁴ They have long outlived the League of Nations, and have been repurposed to become a key foreign policy tool used outside of official wartime.

The Middle East is the theatre in which the most economic sanctions regimes have been implemented. Whether as a reaction to regional revolution, in an attempt to deter nuclear proliferation, spread liberal values or isolate dictators and terrorist groups, both broad-based and targeted sanctions have been, and continue to be used here. The following are various case studies examining ongoing sanctions regimes in the Middle East. They analyse their efficacy, their intended outcome, the perpetrators of the sanctions and their ongoing effects. They are followed by a comparative analysis which highlights the similarities and differences across the different sanctions regimes in the region.

³⁴ Tk. “The History of Economic Sanctions as a Tool of War.”



SECTION 2: Mapping Ongoing Sanctions

Afghanistan

Brahmneet Kaur

Afghanistan (now Islamic Emirate of Afghanistan) has been under UN sanctions since October 1999. Various countries such as the US, UK, Canada, Australia as well as the European Union have adopted these UN sanctions with some of them applying their own additional unilateral ones as well. These sanctions are primarily targeted towards the Taliban and associated entities. They were further tightened post the re-establishment of Taliban rule in Afghanistan in 2021.

The United Nations

The United Nations Security Council first imposed sanctions on Afghanistan in October 1999 with Resolution 1267. In 2011, two new resolutions 1888 and 1889 were passed, splitting the mandate of the earlier resolution into two sanctions regime, the former aimed at Taliban and the latter at Al-Qaeda.³⁵ The current sanctions are mainly in compliance with Resolution 1888 which imposed measures such as asset freeze, arms embargo and travel ban. Under the 1888 Sanctions Committee, UNSC adopted the most recent resolution 2665 on 16 December 2022 recalling its previous resolutions on Afghanistan and combating international terrorism. Apart from continuing the imposition of sanctions, the resolutions also extend the mandate of the Analytical Support and Sanctions Monitoring Team until December 2023.³⁶

U.S. Sanctions

The U.S. has not administered and enforced any comprehensive sanctions on Afghanistan. However, certain individuals and entities related to Afghanistan such as the Taliban and the Haqqani Network have been included in the Office of Foreign Assets' (OFAC) list of Specially Designated Nationals and Blocked Persons (SDN List). "The Taliban are designated as a Specially Designated Global Terrorist (SDGT) under Executive Order (E.O.) 13224. The Haqqani Network is designated as an SDGT under E.O. 13224 and a Foreign Terrorist Organization (FTO) under section 219 of the Immigration and Nationality Act"³⁷ The executive order blocks the property and prohibits "transactions with persons who commit,

³⁵ Security Council Committee established pursuant to resolution 1888 (2011) | United Nations Security Council. (n.d.). [www.un.org. https://www.un.org/securitycouncil/sanctions/1988](https://www.un.org/securitycouncil/sanctions/1988)

³⁶ Team, O. December 16, 2022. ODS HOME PAGE. Documents-Dds-Ny.un.org.

<https://documents-dds-ny.un.org/doc/UNDOC/PRO/N22/757/62/PDF/N2275762.pdf?OpenElement>

³⁷ | Office of Foreign Assets Control. (n.d.). Ofac.treasury.gov. <https://ofac.treasury.gov/faqs/topic/8126>



threaten to commit, or support terrorism”.³⁸ Apart from the already existing sanctions, the U.S. government in 2021 had frozen \$9.5 billion worth of assets belonging to the Afghan Central Bank. U.S further tightened these sanctions in October 2022 by announcing a new visa restriction policy against current and former Taliban members who were “believed to be responsible for, or complicit in, repressing” Afghan women and girls through restrictive policies and violence.³⁹ However, some of these restrictions have been loosened due to the issuance of U.S. Treasury General Licences which permit financial transactions between the U.S. and certain entities in Afghanistan.

European Union Sanctions

The European Union first imposed restrictive measures in 1999 in accordance with UNSC Resolution 1267. The EU also adopted UNSC Resolution 1988 of 2011 and its current restrictive measures are in compliance with this resolution. These include an arms export ban, travel bans as well as asset freezes and a prohibition on investment.

UK sanctions

The United Kingdom post its exit from the European Union formulated a separate Afghanistan Sanctions Regime under which it imposed the Afghanistan (Sanctions) (EU Exit) Regulations 2020 on 31 December 2020 to comply with the UNSC sanctions on Taliban.⁴⁰ These regulations were amended and the Afghanistan (Sanctions) (EU Exit) (Amendment) Regulations 2022 came into force on 28 January 2022. The regulations implemented United Nations Security Council Resolution 2615.⁴¹

Economic Impact of the sanctions

The return of Taliban rule to Afghanistan led to the country being politically and economically isolated. The abrupt decline in civilian and foreign aid which accounted for about 40 percent of Afghanistan’s GDP along with the U.S. freezing the country’s foreign exchange reserves resulted in a sudden economic shock.⁴² The country’s economic output is estimated to have collapsed by 20.7 per cent since 2021 with its GDP declining by 3.6 per

³⁸ The president - ofac.treasury.gov. (n.d.). <https://ofac.treasury.gov/media/5536/download?inline>

³⁹ Ayaz Gul, “Taliban Urge U.S. to Review New Sanctions, Calling Them Hurdle in Furthering Ties,” *VOA*, October 12, 2022 <https://www.voanews.com/a/taliban-urge-us-to-review-new-sanctions-calling-them-hurdle-in-furthering-ties/6786934.html>

⁴⁰ The Afghanistan (Sanctions) (EU Exit) Regulations 2020. (2020). Legislation.gov.uk. <https://www.legislation.gov.uk/uksi/2020/948/made>

⁴¹ The Afghanistan (Sanctions) (EU Exit) (Amendment) Regulations 2022. (2022). Legislation.gov.uk. <https://www.legislation.gov.uk/uksi/2022/65/introduction/made>

⁴² Byrd, W. (2022, August 8). One Year Later, Taliban Unable to Reverse Afghanistan’s Economic Decline. United States Institute of Peace. <https://www.usip.org/publications/2022/08/one-year-later-taliban-unable-reverse-afghanistans-economic-decline>



cent in 2022.⁴³ While the United Nations has continued its humanitarian assistance programs and the U.S. government has issued multiple General Licences to facilitate financial transactions between the U.S. and Afghanistan, particularly for humanitarian aid, misconceptions regarding the sanctions along with the lack of awareness about the exemptions have continued to hurt Afghanistan's economy. Afghan businesses continue to face restrictions from banks over access to financial services. This has negatively impacted the export and import market in the country. However, there have also been signs of slight improvements with “a rise in exports; an expected increase in domestic fiscal revenue by 8 percent; stabilisation of the exchange rate; and a reduction in inflation.”⁴⁴ However, most of this growth has been aided by international financial assistance and “UNDP simulations suggest that if aid were to drop by 30 percent, GDP could contract by 0.4 percent in 2023 and inflation rate might reach about 10 percent in 2024” thus making Afghanistan's economy highly dependent on foreign aid.⁴⁵

Social Impact of the Sanctions

The economic collapse that resulted due to sanctions has had far-reaching social consequences, pushing Afghanistan further into a humanitarian crisis. Shutting down of businesses, a loss in jobs, food insecurity and increasing levels of poverty are some examples of the extent of the humanitarian crisis that Afghanistan is currently facing. About 28 million people – two thirds of Afghanistan's population – is in urgent need of humanitarian assistance. The sanctions have further exacerbated socio-economic issues in the country. “The main driver of humanitarian need is the extremely high levels of food insecurity, with nearly 20 million people in Afghanistan acutely food-insecure (IPC 3+), including more than 6 million people on the brink of famine-like conditions in IPC Phase 4 (Emergency). Four million people are acutely malnourished, including 3.2 million children under the age of five (WFP)”⁴⁶ While various exemptions have been made to the sanctions to allow for

⁴³ Afghanistan Socio-Economic Outlook 2023 - Executive Summary [EN/AR/FA/PS] - Afghanistan | ReliefWeb. April 18, 2022

<https://reliefweb.int/report/afghanistan/afghanistan-socio-economic-outlook-2023-executive-summary-enarfaps#:~:text=The%20new%20report%20projects%20that>

⁴⁴ Afghanistan Socio-Economic Outlook 2023 - Executive Summary [EN/AR/FA/PS] - Afghanistan | ReliefWeb. April 18, 2022

<https://reliefweb.int/report/afghanistan/afghanistan-socio-economic-outlook-2023-executive-summary-enarfaps#:~:text=The%20new%20report%20projects%20that>

⁴⁵ Afghanistan Socio-Economic Outlook 2023 - Executive Summary [EN/AR/FA/PS] - Afghanistan | ReliefWeb. April 18, 2022

<https://reliefweb.int/report/afghanistan/afghanistan-socio-economic-outlook-2023-executive-summary-enarfaps#:~:text=The%20new%20report%20projects%20that>

⁴⁶ Report: Afghanistan should be open for business, but misconceptions about sanctions are increasing suffering for millions. April 5, 2023, NRC.

<https://www.nrc.no/news/2023/april/report-afghanistan-should-be-open-for-business-but-misconceptions-about-sanctions-are-increasing-suffering-for-millions/>



humanitarian assistance to continue, international aid is not sufficient to counter the drastic impact that sanctions have had on Afghanistan's socio-economic environment.

Effectiveness

The sanctions which are imposed on the Taliban and related entities have had a negative impact on the Afghan people more than on the Taliban itself. Despite the freezing of assets, travel bans and other sanctions, the Taliban has continued to enforce repressive policies in the country instead of taking steps that are in compliance with international norms. On the other hand, Afghan people continue to face the impact of these sanctions with most of the country being pushed towards poverty and struggling to survive. Sanctions have thus been largely ineffective in causing any change in the Taliban's extremist ideology and continue to negatively impact the people of Afghanistan rather than the Taliban.

Gaza

Guido Larocca

The Gaza strip was under direct Israeli military occupation from 1967 to 2005; restrictions and closures on the Palestinian enclave were constant during that period.⁴⁷ However, the current blockade imposed on the strip dates back to 2007, after Israel evacuated the Gaza settlements established after the Six Day war.

The permanent blockade of Gaza was Israel's response after Hamas fighters took control of the territory and removed Fatah officials from power. This situation led to a *de facto* political separation of the Palestinian territories, the West Bank under the control of the Fatah-led Palestinian Authority, and the Gaza Strip under the complete rule of Hamas. Decisions regarding the blockade or any other restriction on Gaza are a matter of the executive branch of the Israeli government through the Ministry of Defence.⁴⁸ The goods allowed to Gaza changed through time. During the first three years of the blockade, the list of commercial goods allowed to the strip consisted of only 81 items.⁴⁹ In 2010 after Israeli Navy commandos killed nine activists trying to break the naval blockade under international pressure, Israel changed its policy by allowing non-military goods to enter the strip while still preventing the

⁴⁷ "15 Years Too Long: Fact Sheet on the Devastating Effects of Israel's Closure and Blockade on the Gaza Strip - Occupied Palestinian Territory," ReliefWeb, June 14, 2022, <https://reliefweb.int/report/occupied-palestinian-territory/15-years-too-long-fact-sheet-devastating-effects-israels-closure-and-blockade-gaza-strip>.

⁴⁸ "Israel: Decisions on Gaza Will Remain under Control of Defence Minister, Says Army," Middle East Monitor, December 14, 2022, <https://www.middleeastmonitor.com/20221214-israel-decisions-on-gaza-will-remain-under-control-of-defence-minister-says-army/>.

⁴⁹ "BBC News - Guide: Gaza under Blockade," BBC, n.d., http://news.bbc.co.uk/2/hi/middle_east/7545636.stm.



import of dual-use goods. Still, as dual-use goods are also civilian items, many products necessary for the economy are subjected to restrictions and cannot enter Gaza.

Egypt has maintained a policy of border closure similar to that of Israel and has taken measures to aggressively combat smuggling tunnels along the Rafah border. While the current restrictions on the border are less strict than in the past, there are still limitations on the number of Gazans allowed to cross.⁵⁰ The border crossing with Egypt is an important channel for materials entering into Gaza. In 2022, over 38,003 trucks carrying goods entered Gaza via Rafah. However, this remains insufficient to fully meet the needs of the population.⁵¹

Economic effects of the blockade

The economic impact of the blockade has been huge and devastating. There is no sector of the Gazan economy not impacted by the restrictions. The lack of basic goods and services, such as electricity and fuel, has negatively impacted businesses and individuals and has made it difficult to carry out essential economic activities. The United Nations estimated that Gaza's economy suffered a loss of \$16.7 billion due to the prolonged siege.⁵² The agricultural sector suffered heavy losses due to the combination of the blockade and Israeli attacks, from 2006 to 2022 losses are estimated at \$1.3 billion.⁵³ Materials in Israel's list of dual-use goods like cement and steel, which can be used for building for military purposes, are also fundamental for the development of the civilian construction industry. This restriction on dual-use goods represents a major obstacle for Gaza's economy.⁵⁴ The flow of goods also falls short of adequately satisfying the needs of Gaza's population. The United Nations estimates that in the first five months of 2022, 8000 truckloads entered the strip, 30% below the monthly average for the first half of 2007 before the blockade. Since 2007 Gaza's population has doubled.⁵⁵

⁵⁰ Maram Humaid, "The Seven Border Crossings of Gaza," Israel-Palestine Conflict | Al Jazeera, June 15, 2022, <https://www.aljazeera.com/features/2022/6/15/the-seven-border-crossings-of-gaza>.

⁵¹ A generation under blockade: Consequences on Israel's 17-year-blockade of the Gaza Strip p.14(Geneva: Euro-Med Human Rights Monitor, 2023), <https://reliefweb.int/report/occupied-palestinian-territory/generation-under-blockade-consequences-israels-17-year-blockade-gaza-strip-enar>

⁵² "UN Report Finds Gaza Suffered \$16.7 Billion Loss from Siege and Occupation," UN News, November 30, 2020, <https://news.un.org/en/story/2020/11/1078532>.

⁵³ A generation under blockade: Consequences of Israel's 17-year-blockade of the Gaza Strip

⁵⁴ Joseph Dana, "Israel's Dual-Use Policy Fueling Hatred in Gaza Strip," Arab News, March 1, 2022, <https://www.arabnews.com/node/2034166>.

⁵⁵ "United Nations Office for the Coordination of Humanitarian Affairs - Occupied Palestinian Territory | Gaza Strip | The Humanitarian Impact of 15 Years of the Blockade - June 2022," United Nations Office for the Coordination of Humanitarian Affairs - Occupied Palestinian Territory, June 30, 2022, <https://www.ochaopt.org/content/gaza-strip-humanitarian-impact-15-years-blockade-june-2022>.



Unsurprisingly there was an increase in poverty rates as well; during the first ten years of the blockade, [poverty rose](#) from an already high number of 40% to 56% in 2017.⁵⁶ Unemployment levels in Gaza are among the highest in the world; in Q1 of 2022, the jobless rate was 46.6%.⁵⁷ Youth unemployment is higher, with a rate of 62.5%.⁵⁸ In Q2 of 2002 West Bank unemployment rate reached 13.8%, while in Gaza it was 44.1%; this dramatic difference between both territories reflects the serious economic and social consequences of the blockade.⁵⁹

Social impact of sanctions

With such negative consequences for the Gazan economy, the blockade also had a devastating social impact. 90% of all the Palestinians that suffer from food insecurity live in Gaza.⁶⁰ In addition, living close to the buffer zone is associated with lower food diversity and higher food insecurity.⁶¹ During the COVID-19 pandemic, Israeli authorities banned the entry of medicines and medical devices⁶², adding another burden to the already deteriorated Gazan health system. In August 2020, during the peak of the pandemic, Israel banned the entry of fuel, which caused a reduction in the hours of electricity supplied.

The blockade in Gaza has severely impacted the educational system, with restrictions on dual-use goods and materials making it difficult to repair buildings damaged during Israeli airstrikes. As a result, universities are forced to operate in less-than-ideal conditions, leading to overcrowding and the use of buildings not designed for educational purposes.⁶³

⁵⁶ Economic costs of the Israeli occupation for the Palestinian people: The Gaza Strip under closure and restrictions (New York: United Nations Conference on Trade and Development, 2020), https://unctad.org/system/files/official-document/gdsapp2020d1_en.pdf.

⁵⁷ Christopher Heaney, "Gaza Strip: The Humanitarian Impact of 15 Years of the Blockade - June 2022 - OCHA Factsheet - Question of Palestine," Question of Palestine, June 30, 2022, <https://www.un.org/unispal/document/gaza-strip-the-humanitarian-impact-of-15-years-of-the-blockade-june-2022-ocha-factsheet/>.

⁵⁸ Heaney, "Gaza Strip: The Humanitarian Impact of 15 Years of the Blockade - June 2022 - OCHA Factsheet - Question of Palestine."

⁵⁹ World Bank. Economic Monitoring Report to the Ad Hoc Liaison Committee (English). Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/099346409152238344/IDU0d06191180b10b040a709bde04af014ab10fd>

⁶⁰ "Palestine | World Food Programme," March 1, 2023, <https://www.wfp.org/countries/palestine>.

⁶¹ Tracy Kuo Lin et al., "Food Insecurity in the Context of Conflict: Analysis of Survey Data in the Occupied Palestinian Territory," *The Lancet* 398 (July 1, 2021): S35, [https://doi.org/10.1016/s0140-6736\(21\)01521-x](https://doi.org/10.1016/s0140-6736(21)01521-x).

⁶² "Factsheet 'Gaza in the Face of Two Viruses: COVID-19 and Occupation' - Occupied Palestinian Territory," ReliefWeb, October 6, 2022, <https://reliefweb.int/report/occupied-palestinian-territory/factsheet-gaza-face-two-viruses-covid-19-and-occupation>.

⁶³ Sansom Milton, Ghassan Elkahlout, and Sultan Barakat, "Protecting Higher Education from Attack in the Gaza Strip," *Compare*, October 18, 2021, 1–19, <https://doi.org/10.1080/03057925.2021.1987192>.



Moreover, the blockade has contributed to mental health deterioration among children in Gaza. In a focus group conducted by Save the Children with young people between 14 and 17 years old, participants reported that the blockade affects all aspects of their lives. They cited the lack of clean water, poverty, and increasing child labour as additional challenges they faced. The blockade has also limited their ambitions, as they feel many limitations are preventing them from pursuing their dreams.⁶⁴

Effectiveness

The UN experts consider the Gaza blockade a collective punishment.⁶⁵ Assessing the effectiveness of the blockade from this perspective is possible to conclude that it has been highly effective in punishing the civilian population of Gaza. The evidence relies on the economic and social indicators showcasing its devastating effects on the 2 million residents of the strip. However, if the blockade's effectiveness is evaluated as a tool for weakening Hamas or forcing regime change in the strip, it has constituted a failure. It's evident that the blockade hasn't forced a regime change in the strip, Hamas is still in power, and it's unlikely that the continuation of the blockade will force the Islamist group out of power. Nor has it been effective in weakening Hamas's military capabilities significantly. The strict list of dual-use materials has been more successful in damaging Gaza's economy than preventing Hamas from obtaining military equipment. The successive rounds of violence between Israel and Gaza showed that Hamas's rocket arsenal grew in quality and quantity. In the 2021 war, the volume of rocket fire by Hamas was between 50% and 100% higher than in previous confrontations.⁶⁶ In this regard, the Gaza blockade is similar to other international sanctions regimes, such as the one imposed on Iraq in the 1990s, in that it inflicts maximum harm on civilians while failing to significantly affect those in power.

Iran

Redouane Acoudad

⁶⁴ Swace Digital, "Trapped: The Impact of 15 Years of Blockade on the Mental Health of Gaza's Children | Save the Children's Resource Centre," Save the Children's Resource Centre, n.d., https://resourcecentre.savethechildren.net/document/trapped-the-impact-of-15-years-of-blockade-on-the-mental-health-of-gazas-children/?_ga=2.53757032.1328392739.1679356058-.1511612585.1679356058&_gl=1*_pel_nax*_ga*MTUxMTYxMjU4NS4xNjc5MzU2MDU4*_ga_GRKVSTV36C*MTY3OTM1NjA1OC4xLjAuMTY3OTM1NjA1OC42MC4wLjA.*_ga_646SWQJ0VB*MTY3OTM1NjA1OC4xLjAuMTY3OTM1NjA1OC42MC4wLjA.

⁶⁵ OHCHR, "Israel's Collective Punishment of Palestinians Illegal and an Affront to Justice: UN Expert," n.d., <https://www.ohchr.org/en/press-releases/2020/07/israels-collective-punishment-palestinians-illegal-and-affront-justice-un>.

⁶⁶ Sebastien Roblin, "How Hamas' Arsenal Shaped The Gaza War Of May 2021," Forbes, May 25, 2021, <https://www.forbes.com/sites/sebastienroblin/2021/05/25/how-hamass-arsenal-shaped-the-gaza-war-of-may-2021/>.



Introduction

This section of the report focuses on ongoing sanctions imposed on the Islamic Republic of Iran, the world's most sanctioned state prior to Russia's invasion of Ukraine in 2022.⁶⁷ The analysis starts by reviewing the different sanctions regimes currently in force against Iran, before discussing their effects on the Iranian Economy. Subsequently, the analysis investigates the impact of sanctions on society. Finally, a discussion of the effectiveness of these sanctions and their effect on both Iran foreign and domestic policies is presented.

Iran and ongoing sanctions

Prior to the Joint Comprehensive Plan of Action (JCPOA) agreement reached by the P5+1 (Security Council permanent members and Germany) and Iran in 2015, numerous multilateral and unilateral sanctions were in place in accordance with the 2006 UNSC Resolution 1696. The resolution's adoption stemmed from the International Atomic Energy Agency's (IAEA) report demanding the international community to force Tehran to "take steps to resolve concerns about the development of nuclear capabilities".⁶⁸

Following the agreement and Iran's subsequent fulfilment of its nuclear commitments, all the UNSC sanctions were lifted.⁶⁹ Likewise, all EU and U.S. multilateral economic and financial sanctions impacting the financial, banking, insurance, investment, oil, gas, petrochemical, and car industries were lifted.⁷⁰ Nonetheless, as of today, five key players still have an ongoing sanction regime against Iran, and these are namely the U.S., the EU, Canada, the UK, and Australia.

U.S. Sanctions

In the U.S.' case, ongoing targeted and general sanctions on Iran have been imposed both before and after the JCPOA.⁷¹ Indeed, although Washington was a party to the JCPOA,

⁶⁷ Nick Wadhams, "Russia is Now the World's Most-sanctioned Nation," *Bloomberg*, March 7, 2022, <https://www.bloomberg.com/news/articles/2022-03-07/russia-surges-past-iran-to-become-world-s-most-sanctioned-nation?leadSource=verify%20wall>

⁶⁸ Kazuto Suzuki, "Iran: The Role and Effectiveness of Sanctions," in *Economic Sanctions in International Law and Practice*, ed. Masahiko Asada (London: Routledge, 2019), 1st ed., 179-199, <https://doi.org/10.4324/9780429052989>

⁶⁹ Esra A. Serim, "A Rare Successful Nonproliferation Policy: The JCPOA," *Middle East Policy* 29, no. 4 (Winter 2022): 45-59, <https://doi.org/10.1111/mepo.12662>

⁷⁰ Serim, "A Rare Successful Nonproliferation Policy," 56

⁷¹ "Iran Sanctions," U.S. Department of the Treasury, accessed March 12, 2023, <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/iran-sanctions>; "Timeline of U.S. Sanctions," United States Institute of Peace, last modified March 9, 2023, <https://iranprimer.usip.org/resource/timeline-us-sanctions>



numerous sanctions imposed prior to the agreement remain in force. These sanctions have mostly been enacted through legislative acts, regulations, and executive orders.⁷² For instance, Executive Order 12959, which prohibits “certain transactions with Iran”⁷³ such as “the exportation from the United States to Iran [...] or to any entity owned or controlled by the Government of Iran [...] of any goods, technology [...], or services” was issued on the 6th of May 1995 and is presently in force. Similarly, the “Iran Nonproliferation Act of 2000”⁷⁴ prohibiting the transfer of dual use technology and missile technology to Tehran, was enacted on the 14th of March 2000. Sanctions have also been imposed through amendments to regulations, as with the U.S. Department of Treasury’s Office of Foreign Assets Control’s (OFAC) amendment of the Iranian Transactions Regulation in 2008 to revoke “U-turns,”⁷⁵ with the revocation being in force until this day.

Following the JCPOA, the U.S. reimposed sanctions on Iran. On the 16th of January 2016, under the Obama Administration. Executive Order 13716⁷⁶ authorised new sanctions targeting individuals and entities in Iran. The order also banned financial institutions in the U.S. from issuing loans to the regime in Tehran and its accomplices, and prohibited the import, and export, of goods from, and to, Iran. With the subsequent election of President Donald J. Trump, further sanctions have been imposed. In sum, a total of 21 Executive Orders,⁷⁷ 4 Federal Regulations,⁷⁸ and 11 legislative acts,⁷⁹ linked to both Tehran’s military

⁷² “International Iran Sanctions Database,” United Against Nuclear Iran, last modified February, 2023, <https://www.unitedagainstnucleariran.com/international-iran-sanctions-database>

⁷³ “Executive Order 12959 of May 6, 1995, Prohibiting Certain Transactions with Respect to Iran,” *Federal Register* 60, no. 89 (1995): 24755, <https://www.govinfo.gov/content/pkg/FR-1995-05-09/html/95-11694.htm>

⁷⁴ “Iran Nonproliferation Act of 2000,” United States Government Publishing Office, accessed March 12, 2023, <https://www.govinfo.gov/content/pkg/PLAW-106publ1178/html/PLAW-106publ1178.htm>

⁷⁵ U.S. Department of the Treasury, “Fact Sheet: Treasury Strengthens Preventive Measures Against Iranp1258,” press release, November 6, 2008, <https://home.treasury.gov/news/press-releases/hp1258>; Federal Deposit Insurance Corporation, “Office of Foreign Assets Control: Treasury revokes Iran’s ‘U-Turn’ Licence,” press release, December 8, 2008, <https://www.fdic.gov/news/inactive-financial-institution-letters/2008/fil08140.html>

⁷⁶ “Executive Order 13716 of January 16, 2016, Revocation of Executive Orders 13574, 13590, 13622, and 13645 With Respect to Iran, Amendment of Executive Order 13628 With Respect to Iran, and Provision of Implementation Authorities for Aspects of Certain Statutory Sanctions Outside the Scope of U.S. Commitments Under the Joint Comprehensive Plan of Action of July 14, 2015,” *Code of Federal Regulations*, title 3 (2016): 425-431, <https://www.govinfo.gov/content/pkg/DCPD-201600020/pdf/DCPD-201600020.pdf>

⁷⁷ These are Executive Orders 12959; 13059; 13224; 13382; 13553; 13574; 13590; 13599; 13606; 13622; 13628; 13645; 13716; 13818; 13846; 13871; 13876; 13902; 13949; 14024.

⁷⁸ U.S. Department of the Treasury, “Iran Sanctions.”

⁷⁹ These are the Iran Sanctions Act; The Iran Nonproliferation Act of 2000; the Iran Freedom Support Act; the Comprehensive Iran Sanctions, Accountability, and Divestment Act; the National Defense Authorization Act for Fiscal Year 2012; the Iran Threat Reduction and Syria Human Rights Act, the Iran Freedom and Counterproliferation Act of 2012.



agenda, disrespect for human rights,⁸⁰ and support for Russia's invasion of Ukraine⁸¹ remain in force.

European Union sanctions

In the EU's case, all the sanctions linked to Iran's nuclear agenda were lifted following the JCPOA.⁸² However, the Union has maintained two "proliferation-related" regulations in force.⁸³ For instance, in article 5 of the "Council Regulation concerning restrictive measures against Iran and repealing Regulation (EU) No 961/2010," the EU prohibits the transfer of technology, services, and goods capable of bolstering Iran's military and technological capabilities.⁸⁴ Likewise, in the "Council Decision 2010/413/CFSP of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP," the transfer of "software for integrating industrial processes" that can prove relevant to Iran's ballistic missiles, nuclear, and military programmes is prohibited⁸⁵.

Concurrently, the Union has maintained sanctions on Iran concerning its disregard for human rights and its repression of citizens⁸⁶ with the first measure having been introduced on the 12th of April 2011. These measures are found in the "Council Regulation (EU) No 359/2011 of 12 April 2011 concerning restrictive measures directed against certain persons, entities and bodies in view of the situation in Iran."⁸⁷ The EU also introduced new measures through the "Council Implementing Regulation (EU) 2023/379 of 20 February 2023 implementing Regulation (EU) No 359/2011 concerning restrictive measures directed against certain persons, entities and bodies in view of the situation in Iran."⁸⁸

⁸⁰ U.S. Department of the Treasury, "Treasury Sanctions the IRGC Cooperative Foundation and Senior Iranian Officials Connected to Protest Suppression," press release, January 23, 2023, <https://home.treasury.gov/news/press-releases/jy1209>

⁸¹ U.S. Department of the Treasury, "Treasury Sanctions Suppliers of Iranian UAVs Used to Target Ukraine's Civilian Infrastructure," press release, January 6, 2023, <https://home.treasury.gov/news/press-releases/jy1182>

⁸² "EU Sanctions Map: Restrictive Measures in Relation to the Non-proliferation of Weapons of Mass Destruction," European Commission, last modified March 14, 2023, <https://www.sanctionsmap.eu/#/main/details/17,18/?search=%7B%22value%22:%22%22,%22searchType%22:%7B%7D%7D>

⁸³ European Commission, "EU Sanction Map."

⁸⁴ "Council Regulation concerning restrictive measures against Iran and repealing Regulation (EU) No 961/2010," EUR-Lex, accessed March 12, 2023, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02012R0267-20220629>

⁸⁵ "Council Decision 2010/413/CFSP of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP," EUR-Lex, accessed March 12, 2023, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02010D0413-20220629>

⁸⁶ European Commission, "EU Sanction Map."

⁸⁷ "Council Regulation (EU) No 359/2011 of 12 April 2011 concerning restrictive measures directed against certain persons, entities and bodies in view of the situation in Iran," EUR-Lex, accessed March 12, 2023, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02011R0359-20230123>

⁸⁸ "Council Implementing Regulation (EU) 2023/379 of 20 February 2023 implementing Regulation (EU) No 359/2011 concerning restrictive measures directed against certain persons, entities and bodies in view of the situation in Iran," Council of the European Union, February 20, 2023,



The Union also maintains sanctions on Iran concerning its material support for Russian violations of international law in Ukraine. Introduced in 2014 following Russia's illegal annexation of Crimea, the "Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine"⁸⁹ was amended in 2022 to introduce sanctions on Iranian nationals as well as entities involved in the supply of weapons, such as drones, to Russia during its ongoing war in Ukraine.⁹⁰ In sum, the EU still imposes several sanctions on the Iranian regime and its affiliate for its potential nuclear ambitions, disregard for human rights, and support for Russia's invasion of Ukraine.

Canadian sanctions

The Canadian government still maintains sanctions on Iran. Regarding military technology and Iran's potential nuclear agenda, the Exports and Import Permit Act (EIPA)⁹¹ Special Economic Measures Act (SEMA)⁹² remains in force, albeit with amendments. For example, following the signing of the JCPOA, Canada introduced amendments under the "Regulations Amending the Special Economic Measures (Iran) Regulations"⁹³ that added individuals on the sanction list and modified "the list of items prohibited for export to Iran [...] in order to continue prohibiting the export of potentially proliferation sensitive items to Iran [...], especially with respect to nuclear proliferation and ballistic missiles." Similarly, the amended⁹⁴ United Nations Act remains in force. For instance, the latest amendment introduced in 2016, the "Regulations Amending the Regulations Implementing the United Nations Resolutions on Iran," prohibits the transfer of military hardware and software to Iran.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.LI.2023.051.01.0013.01.ENG&toc=OJ%3AL%3A2023%3A051I%3ATOC>

⁸⁹ "Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine," Council of the European Union, March 17, 2014,

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014R0269&qid=1678966283870>

⁹⁰ "Council Implementing Regulation (EU) 2022/1985 of 20 October 2022 implementing Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine," Council of the European Union, October 20, 2022,

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.LI.2022.272.01.0001.01.ENG&toc=OJ%3AL%3A2022%3A272I%3ATOC>

⁹¹ "Canadian Sanctions Related to Iran," Government of Canada, accessed March 13, 2023,

https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/iran.aspx?lang=eng

⁹² "Special Economic Measures Act," Justice Law Website, accessed March 13, 2023,

<https://laws-lois.justice.gc.ca/eng/acts/S-14.5/index.html>

⁹³ Governor General in Council, "Regulations Amending the Special Economic Measures (Iran) Regulations," *Canada Gazette* 150, no. 4 (2016), <https://gazette.gc.ca/rp-pr/p2/2016/2016-02-24/html/sor-dors15-eng.html>

⁹⁴ Governor General in Council, "Regulations Amending the Regulations Implementing the United Nations Resolutions on Iran," *Canada Gazette* 150, no. 4 (2016),

<https://gazette.gc.ca/rp-pr/p2/2016/2016-02-24/html/sor-dors14-eng.html>



Therefore, the Canadian government maintains three amended acts in force that sanction Iran for its nuclear and military agendas.

As for human rights violations, Canada maintains targeted sanctions on the Iranian regime and its affiliates through SEMA. Indeed, from the 3rd of October 2022 to the 23rd of February 2023, Canada amended SEMA to sanction a total of more than 125 individuals and entities for their role in suppressing the protests in Iran.⁹⁵ All individuals sanctioned under SEMA are also prohibited from entering Canada under the Immigration and Refugee Protection Act.⁹⁶ Finally, Canada also maintains sanctions, under SEMA, on entities in Iran linked to the war in Ukraine.⁹⁷

UK sanctions

Whereas the UK imposed sanctions within the multilateral framework of the EU prior to Brexit, the British government has subsequently established three sanctions regimes.⁹⁸ The first concerns Iran's disregard for human rights and is intended to encourage the Iranian government to respect them and to comply with international human rights law.⁹⁹ A total of three regulations, still in force, have been introduced by London to amend the Sanctions and Anti-Money Laundering Act 2018 (the Sanctions Act).¹⁰⁰ The Iran (Sanctions) (Human Rights) (EU Exit) Regulations 2019, The Sanctions (EU Exit) (Miscellaneous Amendments) (No. 2) Regulations 2020, and The Sanctions (EU Exit) (Miscellaneous Amendments) (No. 4) Regulations 2020. These regulations impose asset freezes on individuals, and entities, recognized and designated as responsible for significant human rights breaches in Iran under the Sanctions Act.¹⁰¹

The second sanctions regime concerns Tehran's nuclear programme¹⁰² and intends to compel Iran to comply with UN obligations, abandon its nuclear weapons programmes, and limit its

⁹⁵ "Canada further Sanctions Iranian Regime," Government of Canada, accessed March 13, 2023, <https://www.canada.ca/en/global-affairs/news/2022/11/canada-further-sanctions-iranian-regime.html>

⁹⁶ "Immigration and Refugee Protection Act," Justice Laws Website, accessed March 13, 2023, <https://laws.justice.gc.ca/eng/acts/i-2.5/fulltext.html>

⁹⁷ "Canada Imposes New Sanctions on Russia, Iranian and Myanmar Regimes," Government of Canada, accessed March 13, 2023, <https://www.canada.ca/en/global-affairs/news/2022/12/canada-imposes-new-sanctions-on-russian-iranian-and-myanmar-regimes.html>

⁹⁸ "Financial Sanctions, Iran (Human Rights)," GOV.UK, accessed March 14, 2023, <https://www.gov.uk/government/publications/financial-sanctions-iran-human-rights>

⁹⁹ GOV.UK, "Iran (Human Rights)."

¹⁰⁰ GOV.UK, "Iran (Human Rights)."

¹⁰¹ GOV.UK, "Iran (Human Rights)."

¹⁰² "Financial Sanctions, Iran Relating to Nuclear Weapons," GOV.UK, accessed March 14, 2023, <https://www.gov.uk/government/publications/financial-sanctions-iran-nuclear-proliferation>; "UK Sanctions relating to Iran (Nuclear Weapons), GOV.UK, accessed March 14, 2023, <https://www.gov.uk/government/collections/uk-sanctions-on-iran-relating-to-nuclear-weapons>



capacity to build both nuclear weapons and nuclear weapons delivery systems.¹⁰³ Similarly to the previous sanctions regime, a total of four regulations, still in force, have been introduced to amend the Sanctions Act: The Iran (Sanctions) (Nuclear) (EU Exit) Regulations 2019, The Sanctions (EU Exit) (Miscellaneous Amendments) Regulations 2019, The Sanctions (EU Exit) (Miscellaneous Amendments) Regulations 2020, and The Sanctions (EU Exit) (Miscellaneous Amendments) (No.3) Regulations 2020.¹⁰⁴ Asset freezes are imposed on individuals and entities involved in the facilitation of banned weapons-related activities in Iran and asset freezes and other financial sanctions are applied on anybody identified by the Security Council in accordance with UNSCR 2231.

The final regime, albeit not primarily established for Iran, concerns Syria¹⁰⁵ and all actors involved in supporting the killing of civilians and repression. Within this regime, certain individuals linked to the regime in Tehran are sanctioned. The UK has also put sanctions on Iranian entities and individuals supporting Russia's war effort in Ukraine.¹⁰⁶

Australian sanctions

The Australian government also maintains a sanctions regime in regard to Iran.¹⁰⁷ In fact, the regime covers both the human rights violations of the regime in Tehran, and its nuclear ambitions. On the one hand, the regime consists of regulations such as the Charter of the United Nations (Sanctions–Iran) Regulation 2016¹⁰⁸, Customs (Prohibited Exports) Regulations 1958¹⁰⁹, and the Customs (Prohibited Imports) Regulations 1956.¹¹⁰ On the other hand, the regime also comprises a legislative act, the Autonomous Sanctions Act 2011¹¹¹, that is accompanied with amendments such as the Autonomous Sanctions (Export and Import

¹⁰³ GOV.UK, “Financial Sanctions, Iran Relating to Nuclear.”

¹⁰⁴ GOV.UK, “Financial Sanctions, Iran Relating to Nuclear.”

¹⁰⁵ GOV.UK, “UK Sanctions relating to Iran.”

¹⁰⁶ GOV.UK, “UK Sanctions Iran Over Kamikaze Russian Drones,” press release, October 20, 2022, <https://www.gov.uk/government/news/uk-sanctions-iran-over-kamikaze-russian-drones>

¹⁰⁷ “Iran Sanctions Regime,” Australian Government Department of Foreign Affairs and Trade, accessed March 14, 2023,

<https://www.dfat.gov.au/international-relations/security/sanctions/sanctions-regimes/iran-sanctions-regime>

¹⁰⁸ “Charter of the United Nations (Sanctions–Iran) Regulation 2016,” Federal Register of Legislation, accessed March 14, 2023, <https://www.legislation.gov.au/Details/F2016L01181>

¹⁰⁹ “Customs (Prohibited Exports) Regulations 1958,” Federal Register of Legislation, accessed March 14, 2023, <https://www.legislation.gov.au/Details/F2022C00836>

¹¹⁰ Customs (Prohibited Imports) Regulations 1956,” Federal Register of Legislation, accessed March 14, 2023, <https://www.legislation.gov.au/Details/F2022C00511>

¹¹¹ “Autonomous Sanctions Act 2011,” Federal Register of Legislation, accessed March 14, 2023, <https://www.legislation.gov.au/Details/C2021C00581>



Sanctioned Goods – Iran) Amendment Specification 2016¹¹² and the Autonomous Sanctions (Designated Persons and Entities and Declared Persons – Iran) List 2012.¹¹³

Economic effects of the sanctions

The current sanctions regimes imposed on Iran have had a significant impact on its economy.¹¹⁴ For instance, after a series of new sanctions by the EU and the U.S. were imposed in 2012, Iran's GDP shrank by 12.5% in the first year and by 19.1% in four years.¹¹⁵ In addition, sanctions have led to a significant increase in inflation, which has resulted in a decline in investment.¹¹⁶ Similarly, following the Trump administration's implementations of new sanctions from 2018 to 2021, GDP fell again by 2.75% yearly, and inflation increased dramatically by 36.2%.¹¹⁷ Moreover, the Rial also experienced a significant devaluation, averaging 44.4% each year.¹¹⁸ As for the value added of industry¹¹⁹, which includes “mining, manufacturing, construction, electricity, water, and gas,” it experienced the largest decline in 2018 – a decrease of 9.1 percent in comparison to 2017. This was followed by a decline of 2.4% “in the value added of agriculture” and a negligible decrease of 0.05% in the services sector.¹²⁰ When compared to 2018, the industry sector's value added decreased once more in 2019 by 9.7% while the agricultural sector's value added increased by 9.2%. The services sector experienced a slight decrease of 0.18%, and the manufacturing sector experienced a growth of 4%.¹²¹ As such, the vital driver of the general downfall of Iran's “GDP in 2018 and 2019 was a fall in industrial production” stemming from the imposition of sanctions by the U.S.. In contrast, because they only serve the domestic market and have a limited focus on the international market, the agricultural and services sectors have been more resistant to sanctions.¹²² Consequently, it is likely that the current sanctions, especially those imposed by

¹¹² “Autonomous Sanctions (Export and Import Sanctioned Goods – Iran) Amendment Specification 2016,” Federal Register of Legislation, accessed March 14, 2023, <https://www.legislation.gov.au/Details/C2016G00283>

¹¹³ “Autonomous Sanctions (Designated Persons and Entities and Declared Persons – Iran) List 2012,” Federal Register of Legislation, accessed March 14, 2023, <https://www.legislation.gov.au/Details/F2021C00099>

¹¹⁴ Umar A Farooq, and Reza Khaasteh, “How Four Years of U.S. Sanctions Have Devastated Iran's Economy,” *Middle East Eye*, May 31, 2022, <https://www.middleeasteye.net/news/us-sanctions-devastate-iran-economy>

¹¹⁵ Morteza Ghomi, “Who is afraid of sanctions? The macroeconomic and distributional effects of the sanctions against Iran,” *Economics & Politics* 34, no. 3 (Autumn 2021): 395-428, <https://doi.org/10.1111/ecpo.12203>

¹¹⁶ Seyyed Reza Nakhli, Monireh Rafat, Rasul Bakhshi Dastjerdi, and Meysam Rafei, “Oil Sanctions and Their Transmission Channels in the Iranian Economy: A DSGE Model,” *Resources Policy* 70, no. 1 (Winter 2021), <https://doi.org/10.1016/j.resourpol.2020.101963>

¹¹⁷ Ebad Ebadi, “Iran Sanctions Raise Doubts About the Success of Economic Pressure on Russia,” *Atlantic Council*, May 3, 2022, <https://www.atlanticcouncil.org/blogs/iransource/iran-sanctions-raise-doubts-about-the-success-of-economic-pressure-on-russia/>

¹¹⁸ Ebad Ebadi, “Iran Sanctions.”

¹¹⁹ Mohamed Reza Farzanegan, “What Are the Big Economic Challenges Facing the Government in Iran?,” *Economics Observatory*, March 6, 2023,

<https://www.economicsobservatory.com/what-are-the-big-economic-challenges-facing-the-government-in-iran>

¹²⁰ Mohamed Reza Farzanegan, “What Are the Big Economic Challenges.”

¹²¹ Mohamed Reza Farzanegan, “What Are the Big Economic Challenges.”

¹²² Mohamed Reza Farzanegan, “What Are the Big Economic Challenges.”



the U.S., will continue affecting Iran's economy negatively by hindering economic growth and increasing inflation levels.

Social impact of the sanctions

The current sanctions have had a devastating effect on Iranian society. According to Alena Douhan, the UN's "Special Rapporteur on the negative impact of the unilateral coercive measures (UCMs) on the enjoyment of human rights,"¹²³ current sanctions have negatively impacted the population. For instance, both inflation and the inability for the state to access medical equipment from abroad engendered an increase in poverty rates and an absence of basic needs for citizens respectively. A similar conclusion is reached by the academic literature. Current U.S. sanctions have been shown to negatively affect more than 10 million Iranian's "access to jobs, food, and often medicine."¹²⁴ For instance, the Covid-19 pandemic's effect have been compounded by the sanctions imposed under the Trump administration, leading to increased mortality within the country due to Tehran's lack of financial resources to invest in necessary infrastructure for healthcare and its inability to access drugs, PPE masks, and high-tech medical equipment.¹²⁵ Sanctions also affect Iranian academics as funds for research become scarce.¹²⁶ Finally, sanctions negatively affect Iranian women's empowerment and disadvantages them in comparison to men, as "countries exposed to sanctions experience both increases in poverty and income inequality, which typically further marginalises women" and decreases respect for their rights.¹²⁷ In sum, the current sanctions on Iran negatively impact Iranian society in general, and Iranian women in particular.

The effectiveness of sanctions

The ongoing sanctions on Iran seem to be ineffective. Sanctions are the most effective when they successfully coerce a target state to not undertake certain policies¹²⁸ and when they are

¹²³ United Nations, Human Rights: Office of the High Commissioner, "Iran: Unilateral sanctions and overcompliance constitute serious threat to human rights and dignity – UN expert," press release, May 19, 2022, <https://www.ohchr.org/en/press-releases/2022/05/iran-unilateral-sanctions-and-overcompliance-constitute-serious-threat-human>

¹²⁴ Jazairy Idriss, "Unilateral Economic Sanctions, International Law, and Human Rights," *Ethics & International Affairs* 33, no. 3 (2019): 291-302, <https://doi.org/10.1017/S0892679419000339>; for the effect of previous sanctions on unemployment see Ali Moghaddasi Kelishomi, and Roberto Nisticò, "Employment Effects of Economic Sanctions in Iran," *World Development* 151, (2022), <https://doi.org/10.1016/j.worlddev.2021.105760>

¹²⁵ Abdoli Amir, "Iran, Sanctions, and the COVID-19 Crisis," *Journal of Medical Economics* 23, no. 12 (2020): 1461-1465, <https://doi.org/10.1080/13696998.2020.1856855>

¹²⁶ Abdoli Amiri, "Iran."

¹²⁷ Seyfi Siamak, Colin Michael Hall, and Tan Vo-Thanh, "The Gendered Effects of Statecraft on Women in Tourism: Economic Sanctions, Women's Disempowerment and Sustainability?" *Journal of Sustainable Tourism* 30, no. 7 (2022): 1736-1753, <https://doi.org/10.1080/09669582.2020.1850749>

¹²⁸ Drezner W. Daniel, "The Hidden Hand of Economic Coercion," *International Organization* 57, no. 3 (2003): 643-659, <https://doi.org/10.1017/S0020818303573052>



imposed through a multilateral framework.¹²⁹ However, the ongoing sanctions have been imposed unilaterally, and their imposition is an indication that the principal aim of coercing Iran to change its policies has failed. Indeed, there has been no change in Iranian policies concerning its nuclear programme, its disregard for human rights, and its ongoing support for Russia's invasion of Ukraine. In regard to its nuclear programme, Iran continues enriching Uranium and has attained levels "just below nuclear weapons-grade."¹³⁰ As for human rights, the regime in Tehran continues repressing its population, with around 20,000 individuals detained for protesting the death of Mahsa Amini on the 16th of September 2022, and more than 520 murdered.¹³¹ Finally, Tehran continues supplying drones to Russia and supporting its war effort in Ukraine.¹³² Therefore, the sanctions seem to bear no effects on Iran's foreign and domestic policies.

Iraq

Brahmneet Kaur

Iraq is not under any sanctions currently, with the majority of them being lifted on 22 May 2003 by paragraph 10 of UNSC Resolution 1483. According to this resolution, "with the exception of prohibitions related to the sale or supply to Iraq of arms and related materiel other than those arms and related materiel required by the Authority to serve the purposes of this and other related resolutions, all prohibitions related to trade with Iraq and the provision of financial or economic resources to Iraq established by resolution 661 (1990) and subsequent relevant resolutions, including resolution 778 (1992) of 2 October 1992, shall no longer apply."¹³³ In June 2013, Iraq was also removed from Chapter VII sanctions and it completed its obligations under this chapter by completing its payment of war reparations

¹²⁹ Dursun Peksen, "When Do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature," *Defence and Peace Economics* 30, no. 6 (2019): 635-647, <https://doi.org/10.1080/10242694.2019.1625250>; for an example on Iran and how multilateral sanctions enabled the JCPOA see Benjamin Harris, "Coercive Diplomacy and the Iranian Nuclear Crisis," *International Negotiation (The Hague, Netherlands)* 26, no. 2 (2021): 218-244, <https://doi.org/10.1163/15718069-BJA10008>

¹³⁰ Jonathan Tirone, "Iran's Uranium Enrichment Hits a New High, Testing Diplomacy," *Bloomberg*, February 20, 2023, <https://www.bloomberg.com/news/articles/2023-02-19/iran-nuclear-inspectors-detect-uranium-enriched-to-84-purity#xj4y7vzkg>

¹³¹ David Gritten, "Iran Protesters March in Several Cities in Mourning for Executed Men," *BBC News*, February 17, 2023, <https://www.bbc.com/news/world-middle-east-64675060>

¹³² Daphne Psaledakis, and Arshad Mohammed, "New U.S. Sanctions Target Supply of Iranian Drones to Russia," *Reuters*, January 6, 2023, <https://www.reuters.com/business/aerospace-defense/us-targets-supply-iranian-drones-russia-new-sanctions-2023-01-06/>

¹³³ Security Council Lifts Sanctions On Iraq, Approves Un Role, Calls For Appointment Of Secretary-General's Special Representative. May 22, 2003. Ohchr. <https://www.ohchr.org/en/press-releases/2009/10/security-council-lifts-sanctions-iraq-approves-un-role-calls-appointment>



worth \$52.4 billion to Kuwait in December 2021.¹³⁴ While there are no direct sanctions on Iraq, a number of individuals and entities continue to remain on the UNSC Sanctions List of individuals and entities. Countries like the UK and USA also continue to maintain their own sanctions list of individuals and entities related to Iraq. USA through its Office of Foreign Assets Control, has put various individuals in the SDN list under programs such as IRAQ2, IRAQ3, SDGT, IFSR and GLOMAG. These programs indicate the sanctions program pursuant to which the person has been blocked, designated, or identified such as Blocking the Property of Persons Involved in Serious Human Rights Abuse or Corruption, Global Terrorism Sanctions Regulations and Blocking Property of the Former Iraqi Regime, Its Senior Officials and Their Family Members, and Taking Certain Other Actions.¹³⁵ While multiple people have been delisted over the years, the SDN list still contains 141 individuals and entities from Iraq.

Impact and Effectiveness

Since there are no sanctions on Iraq, except on certain individuals and entities, the impact of these restrictive measures remains largely negligible on the state.

Lebanon

Guido Larocca

The international community, including Western powers like the European Union, the United Kingdom, and Australia, have all adopted the United Nations Security Council's multilateral framework of imposing sanctions on Lebanon, which includes an arms embargo. However, the United States sanctions have had the most significant impact on Lebanon due to the country's reliance on the U.S. dollar and the wide-ranging scope of the sanctions imposed by the U.S. Executive Branch. While the U.S. has tried to avoid targeting Lebanon with these sanctions, the broader economic impact has been significant. The sanctions have made it difficult for Lebanese businesses and individuals to conduct transactions with the international financial system, contributing to Lebanon's economic and financial crisis.

United States Sanctions

The United States has implemented a series of sanctions against Hezbollah over the years, aimed at cutting off the group's access to financing and disrupting its operations. However,

¹³⁴ Dilan Sirwan, Rudaw.net. February 23, 2022. <https://www.rudaw.net/english/middleeast/iraq/230220221>

¹³⁵ Program Tag Definitions for OFAC Sanctions Lists | Office of Foreign Assets Control. (n.d.).

Ofac.treasury.gov.

<https://ofac.treasury.gov/specially-designated-nationals-list-sdn-list/program-tag-definitions-for-ofac-sanctions-lists>



while these sanctions are designed to target Hezbollah specifically, they have significantly impacted the Lebanese economy. Hezbollah is a significant player in Lebanese politics and its social services, and its members hold positions of power within the government. As a result, many of the businesses and institutions in Lebanon are closely linked to or controlled by Hezbollah and are, therefore, subject to U.S. sanctions.

The majority of sanctions are imposed by the executive branch of the U.S. government, relying primarily on the Department of Treasury's Office of Foreign Assets Control (OFAC). The legal framework of action for the OFAC sanctions was established in 2007 by President George W. Bush Executive order 13441, "Blocking Property of Persons Undermining the Sovereignty of Lebanon or Its Democratic Processes and Institutions.". The order authorised the U.S. government to freeze the assets of any individual or entity determined to be involved in activities that undermined Lebanon's sovereignty and its democratic institutions.¹³⁶ In addition to freezing assets and prohibiting transactions, the executive order also authorised the U.S. Treasury Department to investigate and block any attempts to evade the sanctions and to impose additional sanctions on individuals or entities that were found to be violating them. A recent enforcement of sanction under executive order 13441 occurred in October 2021, when three Lebanese individuals were designated for having participated in acts of corruption.¹³⁷

Many Lebanese individuals and entities are subjected to sanctions under the designation Specially Designated Global Terrorist (SDGT). The SDGT was made under the authority of Executive Order 13224, signed by George W. Bush shortly after the September 11 attacks. Under Executive Order 13224. The primary goal of the order was to disrupt and prevent terrorist financing by targeting individuals and organisations that were believed to be involved in terrorist activities.¹³⁸

The various sanctions from executive orders were expanded and complemented by the legislative. The U.S. Congress passed the Hezbollah International Financing Prevention Act of 2014 (HIFPA), signed into law by Barack Obama. The HIFPA requires the President to submit a report to Congress identifying individuals and entities supporting Hezbollah, including those providing financial or material support. The report is also required to include

¹³⁶ White House, "Notice on the Continuation of the National Emergency with Respect to Lebanon," The White House, July 28, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/07/28/notice-on-the-continuation-of-the-national-emergency-with-respect-to-lebanon->.

¹³⁷ U.S. Embassy Beirut, "Sanctions on Individuals Undermining the Rule of Law in Lebanon - U.S. Embassy in Lebanon," U.S. Embassy in Lebanon, October 28, 2021, https://lb.usembassy.gov/sanctions-on-individuals-undermining-the-rule-of-law-in-lebanon/?_ga=2.116665734.1209710579.1679139779-449170043.1677249791.

¹³⁸ "Executive Order 13224 - United States Department of State," United States Department of State, December 2, 2022, <https://www.state.gov/executive-order-13224/>.



an assessment of Hezbollah's fundraising and support networks, as well as its involvement in other illicit activities such as drug trafficking and money laundering.¹³⁹ The HIFPA allowed for instituting new sanctions against financial institutions and foreign banks that engaged in business with Hezbollah.¹⁴⁰ The HIFPA framework would be amended in 2018 with the Hezbollah International Financing Prevention Amendments Act. HIFPAA sanctions "target foreign persons and government agencies that knowingly assist or support Hezbollah, and Hizballah-affiliated networks that engage in drug trafficking or other transnational crime."¹⁴¹

Lebanese individuals have been targeted by other legislative frameworks, such as the Global Magnitsky Human Rights Accountability Act, a law passed in 2016 that authorises the U.S. government to impose sanctions on individuals and entities responsible for human rights abuses and corruption around the world.¹⁴² Under the Magnitsky Act, the U.S. sanctioned prominent Lebanese politician Gibran Bassil, leader of the Free Patriotic Movement, the biggest Christian political party. Basil was designated for his alleged role in corruption and ties with Hezbollah.¹⁴³

European Union Sanctions

The first EU sanctions directed at Lebanon were adopted under the framework of United Nations Security Council Resolution 1595, adopted after the assassination of Rafik Hariri. Resolution 1595 called to impose measures against individuals suspected of participating in the crime.¹⁴⁴ Following the Security Council resolution, the Council Common Position 2005/888/CFSP established restrictions on admission and asset freeze to the individuals or entities suspected of having participated in the bombing.¹⁴⁵

¹³⁹ Congress.gov. "Text - H.R.2297 - 114th Congress (2015-2016): Hizballah International Financing Prevention Act of 2015." diciembre 18, 2015. <https://www.congress.gov/bill/114th-congress/house-bill/2297/text>.

¹⁴⁰ "Hezbollah International Financing Prevention Act of 2014," congressionalmonitor.org, February 15, 2019, <https://www.congressionalmonitor.org/content/hezbollah-international-financing-prevention-act-2014>.

¹⁴¹ Virtual Embassy Tehran, "Hizballah International Financing Prevention Amendments Act - U.S. Virtual Embassy Iran," U.S. Virtual Embassy Iran, October 26, 2018, <https://ir.usembassy.gov/hizballah-international-financing-prevention-amendments-act/#:~:text=Trump%20signed%20into%20law%20the.proxy%20of%20the%20Iranian%20regime>.

¹⁴² Congress.gov. "Text - S.284 - 114th Congress (2015-2016): Global Magnitsky Human Rights Accountability Act." mayo 18, 2016. <https://www.congress.gov/bill/114th-congress/senate-bill/284/text>.

¹⁴³ U.S. Embassy Beirut, "The United States Designates Corrupt Lebanese Political Leader Gibran Bassil - U.S. Embassy in Lebanon," U.S. Embassy in Lebanon, November 6, 2020, <https://lb.usembassy.gov/us-designates-bassil/>.

¹⁴⁴ "EU Sanctions Map," n.d., <https://www.sanctionsmap.eu/#/main/details/22/acts?search=%7B%22value%22:%22%22.%22searchType%22:%7B%7D%7D>.

¹⁴⁵ "EUR-Lex - 32005E0888 - EN - EUR-Lex," n.d., <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32005E0888>.



The first EU also followed United Nations Security Council Resolution 1701, which intended to end the 2006 Lebanon war. The piece of legislation was the European Council Common Position 2006/625/CFSP, expressing in its Article 1 the prohibition on the sale or supply of arms and related materiel and on the provision of financial assistance to military activities to entities or persons that are not part of the Lebanese armed forces.¹⁴⁶ The purpose of the Common Position 2006 is to strengthen the Lebanese state and its armed forces and prohibit Hezbollah from rearming.

More recently, in July 2021, the European Council adopted Council Decision (CFSP) 2021/1277¹⁴⁷, while this text has no legal effects, it establishes an assets freeze regime that could be used against Lebanese individuals or entities that the EU considers responsible for the financial and political crisis in Lebanon.¹⁴⁸ To this day, the sanctions framework hasn't been used, but the Belgian Parliament voted unanimously on a resolution calling the EU to activate the sanctions.¹⁴⁹

United Kingdom Sanctions

The UK-Lebanon sanctions regime is composed of Lebanon (Sanctions) (EU Exit) Regulations 2020 and Lebanon (Sanctions) (Assassination of Rafiq Hariri and others) (EU Exit) Regulations 2020. The purpose of Lebanon (Sanctions) (EU Exit) Regulations 2020 is "compliance with the obligations that the United Kingdom has by virtue of paragraph 15 of resolution 1701."¹⁵⁰ It imposes trade sanctions to enforce the UK's obligations under United Nations Security Council Resolution 1701, including an arms embargo on Lebanon. The regulations establish penalties and offences for violators and apply to all UK persons and companies, including those operating overseas. The maritime enforcement powers apply to British and foreign ships. Prohibitions on trade sanctions include the export, supply, delivery, making available, transfer of technology, and technical assistance of military goods and technology for use in Lebanon or by persons "connected with" Lebanon. The regulations also

¹⁴⁶ "EUR-Lex - 32006E0625 - EN - EUR-Lex," n.d., <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32006E0625>.

¹⁴⁷ "EUR-Lex - 02021D1277-20220728 - EN - EUR-Lex," n.d., <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02021D1277-20220728&qid=1662567206500>.

¹⁴⁸ "EU Introduces New Asset Freeze Regime against Lebanon," White & Case LLP International Law Firm, Global Law Practice, August 4, 2021, <https://www.whitecase.com/insight-alert/eu-introduces-new-asset-freeze-regime-against-lebanon>.

¹⁴⁹ Sunniva Rose, "Belgian Parliament Calls on EU to Impose Sanctions on Lebanese Politicians," The National, January 18, 2023, <https://www.thenationalnews.com/world/europe/2023/01/18/belgian-parliament-calls-on-eu-to-impose-sanctions-on-lebanese-politicians/>.

¹⁵⁰ Queen's Printer of Acts of Parliament, "The Lebanon (Sanctions) (EU Exit) Regulations 2020," n.d., <https://www.legislation.gov.uk/uksi/2020/612/regulation/4/made>.



cover financial services and funds related to such goods and technology.¹⁵¹ The Lebanon (Sanctions) (Assassination of Rafiq Hariri and others) (EU Exit) Regulations 2020 impose financial sanctions on individuals for the purpose of giving effect to the UK's obligations under United Nations Security Council Resolution 1636 (2005) in response to the 2005 terrorist bombing in Beirut which killed former Lebanese Prime Minister Rafiq Hariri and others. The Regulations establish penalties and offences for enforcing the prohibitions and requirements, which apply within the UK territory and to all UK persons, including British nationals and companies established in any part of the UK. The financial sanctions include targeted asset freezes on designated persons and prohibitions on making funds or economic resources available to or for the benefit of designated persons. The Regulations do not impose separate immigration sanctions, but designated individuals will be refused leave to enter or remain in the UK.¹⁵²

Australian Sanctions

Australian law incorporates United Nations Security Council Resolutions 1636 and 1701 into the Lebanon sanctions regime. The Lebanon sanctions regime prohibits the supply of arms or related material, including weapons, ammunition, military vehicles and equipment, spare parts, and accessories. Paramilitary equipment is also included. The regime also restricts the provision of services related to these goods, including technical training or assistance related to their manufacture, provision, or use. In addition, the regime prohibits the direct or indirect provision of assets to designated persons or entities and the dealing with assets owned or controlled by designated persons or entities. Travel bans are in place for designated persons.¹⁵³

Impact of Sanctions

The extensive targeting of the Lebanese financial sector by U.S. sanctions could have negative social consequences. Such as in the case of the Jammal Trust Bank, which was labelled a Specially Designated Global Terrorist for supposedly offering financial services to Hezbollah members. As a result, the sanctions led to the bank's closure.¹⁵⁴ However, the bank's liquidation did not only impact its alleged Hezbollah clients. One of the bank's

¹⁵¹ "Lebanon Sanctions: Guidance," GOV. UK, September 28, 2022,

<https://www.gov.uk/government/publications/lebanon-sanctions-guidance/lebanon-sanctions-guidance>.

¹⁵² "Lebanon (Assassination of Rafiq Hariri and Others) Sanctions: Guidance," GOV. UK, February 7, 2023,

<https://www.gov.uk/government/publications/lebanon-assassination-of-rafiq-hariri-and-others-sanctions-guidance/lebanon-assassination-of-rafiq-hariri-sanctions-guidance>.

¹⁵³ "Lebanon Sanctions Regime," Australian Government Department of Foreign Affairs and Trade, n.d.,

<https://www.dfat.gov.au/international-relations/security/sanctions/sanctions-regimes/Pages/lebanon-sanctions-regime>.

¹⁵⁴ Reuters Staff, "Lebanon's Jammal Trust Bank Forced to Close by U.S. Sanctions," US, September 19, 2019, <https://www.reuters.com/article/us-lebanon-bank-idUSKBN1W415B>.



activities was providing microfinance products to marginalised communities,¹⁵⁵ and this service was lost due to the bank's closure.

Although targeted at Hezbollah, sanctions have significantly impacted Lebanon's financial sector. The wide array of sanctions directed at the Lebanese financial sector has made Lebanese living abroad and any other foreign investor reluctant to send money to Lebanon or deposit it in a Lebanese bank.¹⁵⁶ The threat of U.S. sanctions is causing a delay in a project that could help to alleviate Lebanon's power crisis. Egypt is waiting for reassurance from the United States that the plan to export gas to Lebanon through Syria won't be subject to sanctions.¹⁵⁷

Lebanon is currently experiencing the worst economic collapse in its history, and the constant targeting of its financial and banking sector is exacerbating the situation. The threat of closing banks and other financial institutions at any moment harms the already fragile Lebanese economy.

Effectiveness

The effectiveness of sanctions against Hezbollah can be evaluated based on their ability to restrict the group's access to international financial institutions and disrupt its operations within the global banking system. In this regard, the sanctions have been effective. However, their impact on curtailing Hezbollah's activities within the cash-based economy of Lebanon has been limited.¹⁵⁸ Moreover, the majority of Hezbollah's funding comes from Iran, which means that the impact of these sanctions on its overall financial situation has been relatively mild. Additionally, the group engages in various illegal activities, such as smuggling networks in Latin America, which have not been significantly affected by the sanctions. Therefore, while the sanctions have been successful in cutting off some of Hezbollah's sources of funding and limiting its access to the global financial system, they have not been sufficient to fully curtail the group's operations or diminish its importance as a major actor in Lebanon's social and political life.

Libya

Emma Dondero

¹⁵⁵ Gregory Shupak, "Hiding the Impact of U.S. Sanctions on Lebanon - FAIR," FAIR, March 11, 2022, <https://fair.org/home/hiding-the-impact-of-us-sanctions-on-lebanon/>.

¹⁵⁶ Gridwork, "U.S. Sanctions Are Strangling a Lebanon in Crisis," In These Times, August 13, 2020, <https://inthesetimes.com/article/lebanon-beirut-crisis-explosion-sanctions-foreign-debt-imf-trump-maximum-pressure>.

¹⁵⁷ "Exposure to U.S. Sanctions Still a Problem for Lebanon's Regional Power Plan | | AW," AW, n.d., <https://thearabweekly.com/exposure-us-sanctions-still-problem-lebanons-regional-power-plan>.

¹⁵⁸ Nicholas Frakes, "Why U.S. Policy Has Failed to Curtail Hezbollah's Dominance," The New Arab, n.d., <https://www.newarab.com/analysis/why-us-policy-has-failed-curtail-hezbollahs-dominance>.



Background

The current Libyan sanctions regime has been in place since early 2011, after a February 15th civil rights demonstration seeking the release of a human rights lawyer spiralled into [anti-Qaddafi protests](#).¹⁵⁹ From February 17th to 25th, 2011, the then-ruling Qaddafi administration cracked down on protests, leading to hundreds of civilian deaths and necessitating an international response. On February 25th, 2011, the United States, led by then-President Barack Obama, issued [Executive Order 13566](#), which blocked any U.S. citizen or entity from receiving any type of [property, services, or funds](#) from listed individuals in the name of “national [and international] security.”¹⁶⁰ The order stated that the listed individuals (namely, Qaddafi and his ruling family members) had been named due to their participation in human rights abuses, or proximity to those who had participated in said abuses. Ten years after the original sanctions were put in place, the U.S. issued a [continuation](#) of the original sanctions package under current President Joseph Biden, which still remains [in place](#) today.¹⁶¹ On February 26th, 2011, one day after the original U.S. sanctions were issued, the United Nations passed [Resolution 1970](#) under [Chapter VII](#) of the United Nations Charter, which corresponds to “action with respect to threats to the peace, breaches of the peace, and acts of aggression.”¹⁶² In condemnation of the Qaddafi administration’s use of force against civilians and various human rights abuses, the UNSC put an arms embargo in place for any arms or war-related goods entering or leaving the country, including mercenary personnel. The resolution placed targeted sanctions on certain financial institutions as well as travel bans and asset freezes on certain, named individuals involved in human rights abuses. The EU followed the Security Council two days after its issuance of Resolution 1970, [supporting](#) the measures and putting an arms embargo in place, along with travel bans and asset freezes for certain individuals complicit in international human rights violations.¹⁶³ On March 17th of the same year, the UNSC escalated its sanctions package, strengthening existing measures and additionally placing a no-fly zone over Libya into effect, after [urging from the Arab League](#).¹⁶⁴ Today, the arms embargo and named individual/entities packages are still in effect, although the listed names have changed over the years. In March 2014, via [Resolution 2146](#),

¹⁵⁹ Mattisan, Rowan. Libya Timeline: Since Qaddafi's Ouster, USIP, 2019

<https://www.usip.org/libya-timeline-qaddafis-ouster>

¹⁶⁰ Seward & Kissel LLP, 2011. <https://www.sewkis.com/publications/u-s-sanctions-against-libya/>

¹⁶¹ Office of Foreign Asset Control. 2023.

<https://ofac.treasury.gov/sanctions-programs-and-country-information/libya-sanctions>

¹⁶² UNSC, Res. 1970. 2011.

¹⁶³ EU Sanctions Map. 2023.

<https://sanctionsmap.eu/#/main/details/23.43/?search=%7B%22value%22:%22%22.%22searchType%22:%7B%7D%7D>

¹⁶⁴ Mattisan, Rowan. Libya Timeline: Since Qaddafi's Ouster, USIP, 2019

<https://www.usip.org/libya-timeline-qaddafis-ouster>



[additional sanctions](#) were placed seeking to prevent the illicit export of Libyan crude oil, found by the UNSC to “[undermine] the Government of Libya and [pose] a threat to the peace, security and stability of Libya.”¹⁶⁵ This was later expanded to [include petroleum](#), which is also still in place to this day.

Changes in the sanctions regime

Following the initial UNSC resolution 12 years ago, this multilateral sanctions regime has been adjusted as the political situation in Libya has continuously and sometimes, drastically, changed, but is overall still in force in the current day. Sanctioning actors have added and removed several individuals and entities from their sanctioned persons list, for a [number of reasons](#) related to international humanitarian law violations and human rights abuses, such as gender-based violence, extrajudicial killings, forced disappearances, torture, and other abuses.¹⁶⁶ In late 2014, the designation criteria for sanctions was [expanded](#) to include those who committed acts intended to “[threaten] the successful completion of the political transition in the country”. Political changes have also acted as an impetus for the Council to revisit and/or adjust their Libyan sanctions package. In the post-Qaddafi period [from 2012 to present day](#), factionism, in-fighting, internal corruption, ISIS-related attacks and territorial advances, and peace talks have all played major roles in the country’s evolving sanctions status.¹⁶⁷ As internationally-recognized Libyan heads of state and their respective administrations have struggled to [anchor their positions](#), the United Nations (along with support from the US, EU, and other actors) has increasingly intervened and attempted to use sanctions, or threat of sanctions, to play a role in mitigating conflict, with mixed results.

Effectiveness

Sanctions effectiveness has generally been mixed, with effectiveness severely hampered by the lack of enforcement and rampant [sanctions violations](#).¹⁶⁸ In March 2021, the Panel of Experts, which has been responsible for reviewing Libyan sanctions violations for the ongoing regime since 2011, reported that Libya and Libyan parties, along with a number of third party actors, violated arms embargo and oil export restrictions. The six-person expert panel [found](#) the embargo to be “totally ineffective...arms embargo violations are extensive and with complete disregard to sanctions measures”, leading to human rights abuses against civilians, migrants, and refugees (which is exactly what the package is intended to prevent).¹⁶⁹ Third-party actors were found to include a number of MENA region states as well as Russia,

¹⁶⁵ UNSC, Res. 2146. 2014.

¹⁶⁶ Human Rights Watch. Libya Events of 2021. <https://www.hrw.org/world-report/2022/country-chapters/libya>

¹⁶⁷ Mattisan, Rowan. Libya Timeline: Since Qaddafi's Ouster, USIP, 2019
<https://www.usip.org/libya-timeline-qaddafis-ouster>

¹⁶⁸ Human Rights Watch. Libya Events of 2021. <https://www.hrw.org/world-report/2022/country-chapters/libya>

¹⁶⁹ UN News. Libya arms embargo ‘totally ineffective.’ 2021. <https://news.un.org/en/story/2021/03/1087562>



with other reports also implicating [Belgium](#),¹⁷⁰ [France](#), and [India](#).¹⁷¹ While the success of the arms and oil embargo is severely limited due to lack of enforcement, there is some evidence that sanctions (or threat of sanctions) have had some success in Libya peace talks over the years. In September 2014, the UNSC tightened the arms embargo already in place at the time, and further added designation criteria for sanctioning to include those who do not cooperate in peace negotiations; these actions have been credited, in part, to [pushing peace talks](#).¹⁷² In 2014 and 2015, the threat of sanctions has been argued to have acted as a positive [diplomatic tool](#) in bringing a prominent politician to the negotiating table after he had publicly refused to participate. These successes are nonetheless limited, as the threat of sanctions was found to [lessen](#) with usage. In Libya, it has also been argued that the initial sanctions package, which was intended to protect civilians from the government's use of force, "[emboldened the opposition](#)", who did not face sanctions.

Qatar

Andreas Lo

This section of the report concentrates on the sanctions imposed against the State of Qatar (hereafter "Qatar"). Qatar currently is not confronted with any state-wide sanctions, although a small number of Qatari individuals are being sanctioned.

Sanctions on Qatar

As of April 2023, there are no direct sanctions against Qatar, although the state is somewhat affected by the United Nations Security Council Resolution 1267 in place since 1999. The Resolution established a sanctions regime to target individuals and entities with connections with Al-Qaida, Osama bin Laden and the Taliban. Currently there are four Qataris on the UNSC ISIL (Da'esh) & Al-Qaida Sanctions List pursuant to Resolution 1267.¹⁷³ The sanction includes an assets freeze, travel ban, and arms embargo.

Key sanctioning actors

No direct sanctions imposed against Qatar. Nonetheless, a small number of Qatari nationals are sanctioned by the United Nations under UNSC Resolution 1267.

¹⁷⁰ Marks, Simon. UN panel finds Belgium in violation of Libya sanctions. 2018.

<https://www.politico.eu/article/un-panel-finds-belgium-in-violation-of-libya-sanctions/>

¹⁷¹ Nichols and Charboneau. U.N. blacklists India-flagged ship carrying eastern Libya oil. 2016.

<https://www.reuters.com/article/us-libya-security-un-idUSKCN0XO2K0>

¹⁷² Biersteker et al. Sanctions and Mediation. 2019

https://i.unu.edu/media/cpr.unu.edu/attachment/3413/UN_Sanctions_and_Mediation_WEB_FINAL.pdf

¹⁷³ United Nations Security Council, "United Nations Security Council ISIL (Da'esh) & Al-Qaida Sanctions List," United Nations (United Nations, April 2023), <https://scsanctions.un.org/bboz3en-al-qaida.html>.



Reasons for sanctions

The UNSC Resolution 1267 and the Sanctions List on affiliates of Al-Qaeda and Osama bin Laden has affected certain Qatari individuals on the basis that they are acting as facilitators providing financial services to extremist figures and organisations.

Similarly, Qatar has been criticised by numerous countries including the U.S. and members of the GCC for allegedly holding close ties with Iran and for providing support or diplomatic protection to terrorist groups including the Hamas, the Muslim Brotherhood in Egypt and other countries, and the Houthi rebels occupying northern Yemen.¹⁷⁴

Estimated economic impact of sanctions

Overall, there are no direct implications to Qatar arising from the sanctions under UNSC Resolution 1267. However, sanctions against Qatari individuals may hinder economic activity between Qatari nationals and foreign countries such as the United States and the European Union as banks and other financial institutions may be required to carry out additional checks so as to ensure they do not breach the sanction regime UNSC Resolution 1267.

Social impact of sanctions:

None.

Effectiveness:

Since the ongoing sanctions are targeted to Qatari individuals, it is difficult to assess the general impact on the Qatari state. However, it can be deduced that these sanctions do not impact Qatar's foreign relations with the wider world, and does not generate any widespread socio-economic consequences to the majority of Qatari nationals.

Saudi Arabia

Fedor Dukhnovskiy

Sanctions timeline

¹⁷⁴ Library of Congress, "International: United Nations Welcomes Loosening of Sanctions in Gulf Region," The Library of Congress, February 17, 2021, <https://www.loc.gov/item/global-legal-monitor/2021-02-17/international-united-nations-welcomes-loosening-of-sanctions-in-gulf-region/#:~:text=Saudi%20Arabia%2C%20Bahrain%2C%20Egypt%2C.Riyadh%20Agreement%20of%20the%20GCC.>



The only sanctions against Saudi Arabia are bilateral and from the United States. In 2018 Saudi agents assassinated Jamal Khashoggi at the Saudi Arabian Embassy in Turkey. Khashoggi was an outspoken critic of the Royal House of Saud. In 2021, one of President Biden's first acts was to impose sanctions against Saudi Arabia for the death of Khashoggi. The U.S. The Department of the Treasury's Office of Foreign Assets Control designated Ahmad Hassan Mohammed al Asiri, Saudi Arabia's former Deputy Head of General Intelligence Presidency, and Saudi Arabia's Rapid Intervention Force in connection with the murder of journalist Jamal Khashoggi. Thus their assets were frozen and they were barred from receiving visas to enter the United States. The U.S. has imposed further visa restrictions on 76 Saudi nationals.¹⁷⁵ The U.S. also suspended arms sales to Saudi Arabia. The European Commission has added Saudi Arabia to the list of countries that might be a threat because of their lenient control over money laundering and terrorism financing. The EU 'blacklist' consists of 23 countries, including Iraq, Iran, Afghanistan, Syria, North Korea, and Yemen.¹⁷⁶

Key sanctioning actors

The United States is the only sending state to have imposed economic sanctions directly on Saudi Arabia. While the European Union has debated imposing sanctions on Saudi Arabia, it has yet to do so.

Reason for Sanctions

The assassination of Jamal Khashoggi is the primary reason for the imposition of sanctions. However, officials have cited human rights violations, terrorism financing, and airstrikes in Yemen as cause for the imposition of sanctions.

Estimated economic impact of sanctions

By adding Saudi Arabia to the EU's "blacklist", financial transactions between EU nationals and Saudi Arabia require extensive background checks, primarily to ensure that the transactions are not tainted by money laundering.

Social impact of sanctions

The impact of sanctions on Saudi Arabian society is negligible.

Effectiveness:

¹⁷⁵Sanctions on Saudi Arabia

<https://www.reuters.com/article/us-usa-saudi-khashoggi-sanctions/u-s-imposes-sanctions-visa-bans-on-saudis-fo-r-journalist-khashoggis-killing-idUSKBN2AQ2OI>

¹⁷⁶ Sanctions Scanner. <https://sanctionsscanner.com/knowledge-base/sanctions-against-saudi-arabia-55>



Aside from symbolically demonstrating the West's disapproval of the death of Kashoggi, economic sanctions have been relatively ineffective in punishing Saudi Arabian officials for their involvement in the death of Kashoggi.

Syria

Fedor Dukhnovskiy

*A timeline of U.S Sanctions*¹⁷⁷

In May 2004, Executive Order 13338 implemented the SAA to deal with the Government of Syria's policies in supporting terrorism, continuing its occupation of Lebanon, pursuing weapons of mass destruction and missile programs, and undermining U.S. and international efforts to stabilise Iraq. Further measures include:

- April 2011: Executive Order 13572, blocking property of Syrian officials and others responsible for human rights abuses
- May 2011: Executive Order 13573, blocking property of additional Syrian officials, including President Bashir al-Assad
- August 2011: Executive Order 13582, blocking property of the Government of Syria, prohibiting investments, exports, and imports, and restricting transactions involving Syrian petroleum or petroleum products
- April 2012: Executive Order 13606, authorises sanctions against individuals and entities involved in human rights abuses.
- May 2012: Executive Order 13608, authorises sanctions against foreign persons who engaged in activities intended to evade U.S. economic and financial sanctions with respect to Syria and Iran.
- March 2017: Executive Order 13780, generally prohibited Syrians from obtaining visas to enter the United States and prohibited the entry of Syrian refugees into the United States.

Caesar Sanctions

The Caesar Syria Civilian Protection Act of 2019,¹⁷⁸ is made up of menu-based sanctions including travel restrictions to the United States and isolation from the United States' financial system for foreign persons who engage in or finance the obstruction, prevention, or disruption of a ceasefire or political solution to the conflict in Syria and members of their family, among other actions, also target foreign persons who facilitate the Assad regime's

¹⁷⁷ Syria Sanctions - United States Department of State. (2023, March 28). United States Department of State. <https://www.state.gov/syria-sanctions/>

¹⁷⁸ *Caesar Syria Civilian Protection Act* - United States Department of State. (2020, December 1). United States Department of State. <https://2017-2021.state.gov/caesar-syria-civilian-protection-act/index.html>



acquisition of goods, services, or technologies that support the regime's military activities as well as its aviation and oil and gas production industries.

EU Sanctions¹⁷⁹

In September of 2011, sanctions were imposed against the Syrian regime, targeting officials, companies, and business people tied to the regime, banning oil imports, and restricting certain investments and technology exports. These were expanded in February 2012 to include sanctions against the energy sector, the supply of arms, the financial sector, and the mining sector. In June 2012, a ban on trade in luxury goods with Syria, as well as a number of commercial products was imposed by the EU. 120 Syrian officials or institutions have since had their financial assets frozen and cannot travel to the European Union

The Arab League

In November 2011 the Arab League froze Syrian government assets, and ended financial transactions with the Central Bank of Syria. It also cut off air travel between the countries of the Arab League and Syria. The measures also included a ban on several Syrian figures and the cessation of investments in Syria by the Arab League states

Turkey

In November 2011 the Turkish national bank froze all Syrian state financial assets

Reason for Sanctions:

The violent repression of the civilian population¹⁸⁰ and use of weapons of mass destruction are cited as the main causes for the imposition of economic sanctions against Syria.

Estimated economic impact of sanctions:

Many international pharmaceutical companies are prohibited from selling medicine to Syria as a result of sanctions imposed on the country. This has resulted in shortages of medical equipment and medication. Although the United States and European Union have sanctions exemptions for medical supplies, complications arise due to medicines containing sanctioned substances and the bureaucracy involved in obtaining sanction exemption licences. As a result of Syria's reliance on imported anti-cancer drugs, its cancer treatment institutions have been

¹⁷⁹<https://www.consilium.europa.eu/en/press/press-releases/2022/05/31/syria-council-extends-sanctions-against-the-regime-for-another-year/>

¹⁸⁰https://www.cartercenter.org/resources/pdfs/peace/conflict_resolution/syria-conflict/us-and-european-sanctions-on-syria-091620.pdf



confronted with significant obstacles. In addition, sanctions have disrupted financial transactions, such as donations to a hospital in Damascus.

Social impact of sanctions:

Many fundraising and transactions companies, such as PayPal, Venmo, and GoFundMe, have blocked or suspended attempts to send funds to both government- and opposition-controlled areas in Syria as a result of sanctions. This is a result of sanctions against financial institutions and payment processors. The licensing requirements and bureaucratic red tape have cost charity organisations millions of dollars, and the bank accounts of many charities have been blocked or suspended. In addition, U.S. sanctions have prevented Syrians from using Western online platforms for education, commerce, employment, or recreation. Sanctions on financial transactions have also had an effect on the gaming industry, as video game companies are unable to grant Syrians access to their platforms. After the earthquakes of 2023, GoFundMe blocked fundraising efforts for Syrian families, but subsequently permitted donations after the temporary lifting of certain U.S. sanctions.

Effectiveness:

Over a decade since the Syrian conflict began in 2011, the international community's broad economic sanctions against the Bashar al-Assad regime have proven ineffective in promoting political concessions, peace negotiations, or improved human rights. The situation in Syria has deteriorated, with conflict, economic crises, and the COVID-19 pandemic leading to economic collapse and widespread poverty.

To enhance the effectiveness of existing sanctions, the international community must work collaboratively to review and correct sanction listings, target shell companies associated with the Assad regime, and share intelligence with partners. Focusing on specific targets, rather than entire sectors, would reduce the negative impact on civilians and humanitarian efforts. By taking the situation more seriously and allocating additional resources, these measures can more accurately target the oppressive regime while reducing the suffering of the Syrian population.

Turkey

Emma Dondero

Existing sanctions on Turkey are limited and scattered, with EU and U.S. sanctions focusing on travel bans and asset freezes for a small number of Turkish nationals and entities. In



October 2019, after Turkey drilled in Eastern Mediterranean waters without authorization or authority, the EU [issued sanctions](#) on two individuals associated with “exploration” team at the Turkish Petroleum Corporation: then-corporation Vice President and board member Mehmet Ferruh Akalin as well as Ali Coscun Namoglu, then-Deputy Director.¹⁸¹ The sanctions package was done in support of Cyprus, whose territorial waters the drilling took place in. In November 2022, the EU [voted](#) to extend sanctions for an additional year, with the sanctions package currently set to expire on November 12th, 2023.¹⁸²

As of late, U.S. sanctions against Turkey have been more active, as the United States moves to limit Turkey’s ability to support Russia amidst its war in Ukraine and the subsequent sanctions stemming from its invasion. On April 12th, 2023, the U.S. Treasury [“blacklisted”](#) at least four Turkish companies found to have exported US-manufactured goods, services, and/or to Russian companies and/or individuals, with some of the exports being defence-related.¹⁸³ While remaining neutral in the war, Turkey previously stated its [willingness to comply](#) with international sanction packages, and so further sanctions-related action between the U.S. and Turkey remains to be seen.¹⁸⁴

Yemen

Redouane Acoudad

Introduction

This section of the report focuses on ongoing sanctions imposed on the Republic of Yemen. It endeavours to investigate these sanctions regimes. To this end, the analysis starts by reviewing the different sanctions regimes currently in force, before discussing their effects on the Yemeni economy. Subsequently, the analysis investigates these sanctions’ impact on society. Finally, a discussion of the effectiveness of these sanctions and their effect on the country’s policies is presented.

Yemen and ongoing sanctions

Prior to addressing the different sanctions regime imposed on Yemen, it is important to provide an overview of the situation in Yemen and shed light on the causes behind their

¹⁸¹ EU Sanctions Map. 2023.

<https://sanctionsmap.eu/#/main/details/23.43/?search=%7B%22value%22:%22%22.%22searchType%22:%7B%7D%7D>

¹⁸² Financial Mirror. 2022. <https://www.financialmirror.com/2022/11/08/eu-extends-turkey-drilling-sanctions/>

¹⁸³ Spicer, Jonathan. 2023.

<https://www.reuters.com/world/us-sanctions-turkey-based-entities-it-says-helped-russias-war-2023-04-12/>

¹⁸⁴ Middle East Eye. 2023. <https://www.middleeasteye.net/news/us-sanctions-turkey-uae-entities-russia-war>



implementation. In 2011, within the wider context of the Arab Spring, Yemenis took to the street to protest the regime in Sanaa.¹⁸⁵ Following a strong reaction by the regime that led to the death of fifty-two people and a subsequent desertion by key military figures from the Yemeni army,¹⁸⁶ long-reigning President Salah requested help from the Gulf Cooperation Council (GCC). The GCC eventually brokered a “UN-backed transition agreement” consisting in Salah ceding power to his then-Vice President, Abd Rabbo Mansur Hadi¹⁸⁷. However, soon after the agreement, Houthi rebels and supporters of Saleh initiated an insurgency against the established government¹⁸⁸ and, eventually, ousted President Hadi in 2015. This led Saudi Arabia, spearheading an Arab coalition, to start operation “Decisive Storm”¹⁸⁹ in order to bring back Hadi’s government and secure its southern frontier from the Houthis’ animosity towards the Kingdom.

Concurrently, while the situation descended into chaos in Yemen, two international actors imposed sanctions on Yemen. The first, the United Nations Security Council,¹⁹⁰ imposed multilateral sanctions on the country in 2014 and 2015. The second actor, the United States of America (U.S.), imposed unilateral sanctions in 2012 under President Obama’s administration. Importantly, both sanctions regimes remain in force to this day, and each one of them is subsequently discussed.

UNSC sanctions

In light of the political violence in Yemen following the Houthis and Salah’s forces disregard for the GCC-brokered agreement, the UNSC adopted two key resolutions. First, it adopted Resolution 2140 (2014) on the 26th of February 2014.¹⁹¹ On the one hand, this resolution “decides that all Member States shall, for an initial period of one year from the date of the adoption of this resolution, freeze without delay all funds, other financial assets and economic resources which are on their territories, [and] which are owned or controlled, directly or indirectly, by the individuals or entities” linked to the conflict in Yemen and the disregard for the GCC-brokered deal. On the other hand, the resolution also imposes a travel ban on those

¹⁸⁵ Andreas Boogaerts, “Beyond Norms: A Configurational Analysis of the EU’s Arab Spring Sanctions,” *Foreign Policy Analysis* 14, no. 3 (2018): orw052-428, <https://doi.org/10.1093/fpa/orw052>

¹⁸⁶ Christina Bennett, “The Importance of Regional Cooperation: The GCC Initiative in Yemen,” *Planning Ahead for a Post Conflict Syria: Lessons from Iraq, Lebanon, and Yemen*, International Peace Institute, 2013. <http://www.jstor.org/stable/resrep09598.7>

¹⁸⁷ Christina Bennett, “The Importance of Regional Cooperation.”; Gerald Feierstein, “Is There a Path Out of the Yemen Conflict?: Why It Matters,” *PRISM* 7, no. 1 (2017): 16-31, <http://www.jstor.org/stable/26470495>

¹⁸⁸ Gerald Feierstein, “Is There a Path Out.”

¹⁸⁹ Gerald Feierstein, “Is There a Path Out.”

¹⁹⁰ Andreas Boogaerts, “Beyond Norms.”

¹⁹¹ United Nations Security Council, “Resolution 2140 (2014),” S/RES/2140 (2014), February 26, 2014, <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N14/247/07/PDF/N1424707.pdf?OpenElement>



individuals. Second, on the 14th of April 2015, the UNSC adopted Resolution 2216 (2015)¹⁹² which established an arms embargo on the Houthis, and other armed groups, and further increased the numbers of individuals and entities sanctioned by Resolution 2140 (2014). These two resolutions have remained in force so far as the UNSC implemented new yearly resolutions to extend the imposed sanctions.¹⁹³

U.S. sanctions

As a permanent member of the UNSC, the U.S. abides by the UNSC resolutions 2140 (2014) and 2216 (2015). However, it has also imposed unilateral sanctions on Yemen. The first unilateral sanctions came into force with President Obama's Executive Order 13611, on the 16th of May 2012.¹⁹⁴ They target the properties of, and prohibits financial transactions with, individuals and entities that are engaged in the Yemeni conflict and prevent the implementation of the GCC-brokered deal. Subsequently, the U.S. implemented newer sanctions, with the introduction of two statutes, the International Emergency Economic Powers Act (IEEPA) and the National Emergency Act (NEA).¹⁹⁵ These sanctions remain, to this day, still in force.

Economic effects of the sanctions

In the case of Yemen, assessing the impact that the sanctions bear on the economy is difficult for two reasons. First, the conflict between the Arab coalition on the one hand, and the Houthis and Salah forces on the other, makes a proper assessment of the sanctions' effect relatively impossible. For instance, the Saudi naval blockade, established since 2015, makes the import and export of goods technically infeasible.¹⁹⁶ According to the World Bank, the war resulted in a dramatic decline in economic output, whereas the current conflict in Ukraine has increased food prices and inflation.¹⁹⁷ Second, the war has also engendered a "de facto dual economy," split between Houthi held areas and governmental held ones.¹⁹⁸ Therefore,

¹⁹² United Nations Security Council, "Resolution 2216 (2015)," S/RES/2216 (2015), April 14, 2015, <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N15/103/72/PDF/N1510372.pdf?OpenElement>

¹⁹³ See Resolution 2266 (2016); Resolution 2342 (2017); Resolution 2402 (2018); Resolution 2456 (2019); Resolution 2511 (2020); Resolution 2564 (2021); Resolution 2624 (2022); Resolution 2675 (2023)

¹⁹⁴ "Executive Order 13611 of May 16, 2012, Blocking Property of Persons Threatening the Peace, Security, or Stability of Yemen," *Code of Federal Regulations*, title 3 (2012): 260-262, <https://www.govinfo.gov/content/pkg/CFR-2013-title3-vol1/pdf/CFR-2013-title3-vol1-eo13611.pdf>

¹⁹⁵ "Yemen – Related Sanctions," U.S. Department of the Treasury, accessed March 17, 2023, <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/yemen-related-sanctions>

¹⁹⁶ "War in Yemen," Center for Preventive Action, Global Conflict tracker, last updated February 7, 2023, <https://www.cfr.org/global-conflict-tracker/conflict/war-yemen>

¹⁹⁷ "Yemen Economic Monitor, Spring 2022 | Clearing Skies Over Yemen?," The World Bank, June 13, 2022, accessed on March 16, 2023, <https://www.worldbank.org/en/country/yemen/publication/yemen-economic-monitor-clearing-skies-over-yemen-spring-2022>

¹⁹⁸ The World Bank, "Yemen."



while the sanctions may have a negative effect on the economy, the presence of confounding variables that range from a military conflict between the Houthis and the Arab coalition to an inflation induced, in parts, by the conflict in Ukraine, renders a proper assessment of the sanctions' effect challenging.

Social impact of the sanctions

Similarly to the economic effects, the social effects of sanctions alone become difficult to assess in light of the war and wider international developments.



CONCLUSION

Current economic sanctions against Middle Eastern states are incredibly influential but relatively undervalued. They vary considerably in complexity, intensity, and scope, and the impacts of economic sanctions range from negligible to extensive. This report has attempted to make sense of the wide variation in sanctions regimes across the Middle East through a comprehensive mapping.