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DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Parts 501, 515 and 560

Cuban Assets Control Regulations; Iranian Transactions Regulations; Reporting and Procedures Regulations; Corrections

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to final regulations amending the Cuban Assets Control Regulations, published May 18, 1998 (63 FR 27349), the Iranian Transactions Regulations, published on August 4, 1997 (62 FR 41851), and to the issuance of the Reporting and Procedures Regulations, published on August 25, 1997 (62 FR 45098). The regulations related to the prohibitions on travel-related transactions in Cuba, the payment of awards and settlements relating to the Iran-U.S. Claims Tribunal in The Hague, and to the consolidation and standardization of information collection provisions administered by the Office of Foreign Assets Control.

EFFECTIVE DATE: June 26, 1998.

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Background

The final regulations that are the subject of these corrections amended the Cuban Assets Control Regulations, 31 CFR part 515 (the "CACR"), the Iranian Transactions Regulations, 31 CFR part 560 (the "ITR"), and the Reporting and Procedures Regulations, 31 CFR part 501 (the "RPR").

The CACR were amended to indicate the existence of a presumption that persons subject to U.S. jurisdiction who have traveled to Cuba without the authority of a general or specific license have necessarily engaged in prohibited travel-related transactions. This presumption is subject to rebuttal upon presentation of a statement, signed by the traveler and accompanied by appropriate supporting documentation, that (1) no transactions were entered into, or (2) the travel was fully hosted by a person or persons not subject to the jurisdiction of the United States and was not in exchange for services provided in Cuba or elsewhere.

The ITR were amended to authorize by general license the payment of awards against Iran issued by the Iran-

U.S. Claims Tribunal in The Hague, and implementation (other than certain exports and reexports) and payment of awards and settlements to which the United States Government is a party. The final rule also authorized by general license the provision of certain legal services to the Government of Iran and persons in Iran.

Finally, the RPR consolidated and standardized in a single part common provisions on collections of information and procedures in existing regulations administered by the Office of Foreign Assets Control. This final rule included an initial and annual requirement to report on blocked assets or retained funds transfers — as well as periodic reports on funds transfers rejected by U.S. financial institutions — for administrative and foreign policy formulation purposes. The rule also required reports on U.S. litigation and other dispute resolution proceedings where the proceedings may affect blocked assets or funds retained by banks that have stopped violative transfers. In addition, new procedures were set forth for persons seeking the unblocking of funds they believe have been blocked due to mistaken identity, or seeking administrative review of their designation or that of a vessel as blocked. In addition, the reporting requirements and licensing and other procedures of the new part are made applicable to transactions that have become subject to economic sanctions programs for which implementation and administration are delegated to the Office of Foreign Assets Control.

Need for Correction

As published, the final regulations contain errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the final regulations are corrected as follows:

1. The publication on May 18, 1998, which was the subject of FR Doc. 98-13120 amending the Cuban Assets Control Regulations, is corrected as follows. On page 27351, in the second column, amendatory instruction 2 is corrected to read: "2. Paragraph (g) of § 515.560 is revised to read as follows:".

2. The publication on August 4, 1997, which was the subject of FR Doc. 97-20447 amending the Iranian

Transactions Regulations, is corrected as follows. On page 41852 in the third column, amendatory instruction 3 is corrected to read: "3. The introductory text of paragraph (a) and paragraphs (a)(3) and (a)(5)(i) of § 560.525 are revised to read as follows:".

3. The publication of August 25, 1997, which was the subject of FR Doc. 97-22378 issuing the Reporting and Procedures Regulations, is corrected as

follows. On page 45104 in the third column, § 501.803 is corrected to read as follows:

§ 501.803 Amendment, modification, or revocation.

Except as otherwise provided by law, the provisions of each part of this chapter and any rulings, licenses (whether general or specific), authorizations, instructions, orders, or forms issued thereunder may be

amended, modified or revoked at any time.

Dated: June 26, 1998.

R. Richard Newcomb,

Director, Office of Foreign Assets Control.

Approved: June 26, 1998.

Elisabeth Bresse,

Acting Assistant Secretary (Enforcement).

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