

Press and Information

General Court of the European Union PRESS RELEASE No 91/14

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Judgment in Case T-181/13 Sharif University of Technology v Council

The General Court annuls the listing of a university as an entity subject to restrictive measures against Iran

The General Court, however, suspends the effects of the annulment for a period of two months in order to allow the Council the opportunity to correct the irregularities identified

Sharif University of Technology (SUT) is an institution of higher education and research located in Tehran, Iran. Founded in 1966, it specialises in technology, engineering and physical sciences. The Council adopted restrictive measures (freezing of funds) against SUT for the following reasons: 'Sharif University of Technology ... is assisting designated entities to violate the provisions of UN and EU sanctions on Iran and is providing support to Iran's proliferation sensitive nuclear activities. As of late 2011 SUT had provided laboratories for use by UN-designated Iranian nuclear entity Kalaye Electric Company (KEC) and EU-designated Iran Centrifuge Technology Company (TESA)'. SUT claims that its listing should be annulled.

In today's judgment, the General Court upholds the action for annulment.²

The General Court considers that the Council committed a manifest error of assessment and failed to discharge the burden of proof which rests on it. In that regard, the General Court states that a number of documents justifying SUT's listing were sent to it only after the expiry of the period allowed for bringing proceedings. Further, the General Court finds that the documents sent by the Council contain no information or material which adds anything to the content of the contested acts (the redacted passages in some of those documents not concerning SUT). Moreover, while the Council, on its own admission, took into account other information to be found in a separate confidential document, the General Court observes that the Member State which proposed the listing and supplied that information is opposed to its disclosure, either wholly or in part.

That being the case, the Court holds that the Council finds itself unable to provide additional information beyond that already known to SUT and that the Council has provided no explanation of its inability to disclose the confidential information. The reasons stated by the Council in the contested acts (the only material on which the General Court can base its decision) contain no evidence capable of supporting the Council's claims: they prove neither that SUT made available laboratories to KEC and TESA nor that those laboratories could be of any value to them for their nuclear activities. Lastly, there is nothing to support the claims that SUT assisted the entities KEC and TESA to violate the restrictive measures adopted against Iran, or provided direct support to Iranian nuclear activities.

¹ Council Decision 2012/829/CFSP of 21 December 2012, amending Decision 2010/413/CFSP concerning restrictive measures against Iran (OJ 2012 L 356, p. 71) and Council Implementing Regulation (EU) No 1264/2012 of 21 December 2012 implementing Regulation (EU) No 267/2012 concerning restrictive measures against Iran (OJ 2012 L 356, p. 55).

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² By judgments of the same date, the General Court upholds the actions for annulment brought by an Iranian businessman (Mr Babak Zanjani, Case <u>T-155/13</u>) and two legal persons (Sorinet Commercial Trust Bankers and National Iranian Tankers Company, respectively Cases <u>T-157/13</u> and <u>T-565/12</u>). As in the SUT case, the General Court considers that the Council committed a manifest error of assessment and failed to discharge the burden of proof which rests on it. In those three cases, the General Court maintains the effects of the annulled acts until the date of expiry of the period for bringing an appeal or, if an appeal has been brought, until the dismissal of the appeal.

The General Court however limits the effects of its judgment for a period of two months from the date of delivery. The General Court considers that SUT's interest in ensuring that its listing should be annulled immediately must be weighed against the objective of general interest pursued by the European Union's policy in relation to restrictive measures. An immediate annulment would allow SUT instantly to collect the frozen funds. A further listing of SUT cannot automatically be ruled out, since the Council has the possibility of again listing the applicant on the basis of reasons which are supported to the requisite legal standard. The General Court considers therefore that it is necessary to give the Council a period of two months to enable it to correct the irregularities identified, inter alia by providing sufficient evidence to support the reasons for SUT's listing.

NOTE: An appeal, limited to points of law only, may be brought before the Court of Justice against the decision of the General Court within two months of notification of the decision.

NOTE: An action for annulment seeks the annulment of acts of the institutions of the European Union that are contrary to European Union law. The Member States, the European institutions and individuals may, under certain conditions, bring an action for annulment before the Court of Justice or the General Court. If the action is well founded, the act is annulled. The institution concerned must fill any legal vacuum created by the annulment of the act.

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The full text of the judgment is published on the CURIA website on the day of delivery