



Press and Information

Court of Justice of the European Union
PRESS RELEASE No 21/16
Luxembourg, 1 March 2016

Judgment in Case C-440/14 P
National Iranian Oil Company v Council

The Court upholds the freezing of the National Iranian Oil Company's funds for the period from 16 October 2012 until its removal from the list on 16 January 2016

The Council was empowered to freeze NIOC's funds on the basis of the criteria it had laid down

Concerned by Iran's nuclear and missile programme, the Council, in 2012, froze the funds of a whole series of entities owned by the Iranian state in the oil and gas sector. It therefore froze, as of 16 October 2012, the assets of the National Iranian Oil Company (NIOC) for the following reasons: 'State-owned and operated entity providing financial resources to the Government of Iran. The Minister of Oil is Director of [the] NIOC Board and the Deputy Minister of Oil is the Managing Director of NIOC'. NIOC asked, unsuccessfully, the General Court to annul that freezing of funds.¹ NIOC then appealed to the Court of Justice asking it to set aside the General Court's judgment.

By today's judgment, **the Court of Justice has dismissed NIOC's appeal and upheld the freezing of its funds**. It follows that the freezing of NIOC's funds was valid until they were unfrozen on 16 January 2016 when most international sanctions against Iran imposed by the European Union and the international community were lifted.

The Court first recalls that, while it is usually the Commission's responsibility to implement Council regulations, the Council may reserve the implementation of its regulations to itself in duly justified specific cases. The Court notes in that regard that the Council reserved to itself the power to adopt the most sensitive restrictive measures, namely the lists of persons or entities whose funds are frozen. Such freezing of funds have a significant negative impact on the lives and economic activities of the persons concerned and must be adopted as soon as possible and in accordance with procedures, the consistency and coordination of which the Council is best placed to ensure. The Council therefore could reasonably consider that the freezing measures were of a specific nature which justified it reserving the power to implement them to itself.

Furthermore, the Court confirmed that the General Court correctly interpreted the changes in the criteria on which the Council relied to freeze NIOC's funds. The Court explains that from 2012, the Council expanded the designation criteria to include natural or legal persons which, even though they have no direct or indirect link with nuclear proliferation (as is the case with NIOC), could encourage it by providing the Iranian Government with resources or facilities of a material, financial or logistic nature allowing it to pursue proliferation activities.

NOTE: An appeal, on a point or points of law only, may be brought before the Court of Justice against a judgment or order of the General Court. In principle, the appeal does not have suspensive effect. If the appeal is admissible and well founded, the Court of Justice sets aside the judgment of the General Court. Where the state of the proceedings so permits, the Court of Justice may itself give final judgment in the case. Otherwise, it refers the case back to the General Court, which is bound by the decision given by the Court of Justice on the appeal.

Unofficial document for media use, not binding on the Court of Justice.

The [full text](#) of the judgment is published on the CURIA website on the day of delivery.

¹ Case [T-578/12](#) National Iranian Oil Company v Council

Press contact: Christopher Fretwell ☎ (+352) 4303 3355

Pictures of the delivery of the judgment are available from "[Europe by Satellite](#)" ☎ (+32) 2 2964106