

Chapter 1

Introduction

Referral of inquiry and terms of reference

1.1 On 17 March 2016, the Senate referred matters relating to the partial suspension of sanctions against Iran to the Foreign Affairs, Defence and Trade References Committee for inquiry and report by 11 May 2016.

1.2 The terms of reference for the inquiry are as follows:

- (a) the nature and scope of public consultation prior to the making of the Autonomous Sanctions (Suspension of Sanctions-Iran) Instrument 2016, the Autonomous Sanctions (Designated Persons and Entities and Declared Persons-Iran) Amendment List 2016, and the Autonomous Sanctions (Designated Persons and Entities and Declared Persons-Iran) Amendment List 2016 (No. 2);
- (b) the adequacy of the explanatory statements accompanying the regulations for the removal of certain activities and entities from the sanctions regime;
- (c) the extent to which any removed entities have institutional or financial ties to any entities that continue to be designated, and the nature of such ties;
- (d) the impact of lifting sanctions on the conduct of Iran in international affairs and on Australia's national interest;
- (e) the Australian Government's decision to re-open a trade office in Iran; and
- (f) any related matters.

Conduct of the inquiry

1.3 The committee advertised the inquiry on its website calling for submissions to be lodged by 8 April 2016. The committee also wrote to a range of individuals and organisations likely to have an interest in the terms of reference, drawing their attention to the inquiry and inviting them to make written submissions.

1.4 The committee received 12 submissions and one supplementary submission to the inquiry. Public submissions are listed at Appendix 1 and are available on the committee's website at: www.aph.gov.au/senate_fadt.

1.5 The committee held one public hearing for the inquiry at the Portside Centre, Sydney. A list of witnesses who appeared at the hearing is available at Appendix 3. The *Hansard* transcript is available via the committee's website. Additional information and the response to questions on notice received during the inquiry are listed at Appendix 2.

Structure of the report

1.6 The committee's report is in four chapters. Chapter 2 provides background on Australia's relations with Iran, including the announcement of the partial suspension of sanctions against Iran. Chapter 3 explores the issues raised during the inquiry in response to the terms of reference. Chapter 4 contains the committee view and recommendations.

Acknowledgements

1.7 The committee thanks all those who contributed to the inquiry by making submissions or appearing at a public hearing to give evidence.

Note on references

1.8 References to the committee *Hansard* are to the proof *Hansard*. Page numbers may vary between the proof and the official *Hansard* transcripts.