

## U.S. Government Adds to Sanctions Against the IRGC with Unprecedented FTO Designation

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On April 8, 2019, the U.S. State Department [announced its intent to designate](#) Iran’s Islamic Revolutionary Guard Corps (“**IRGC**”) as a Foreign Terrorist Organization (“**FTO**”) under section 219 of the Immigration and Nationality Act, 8 U.S.C. § 1189. The designation will take effect upon publication in the Federal Register. The action marks the first time that the FTO designation authority has been used to target a foreign government agency, although the [IRGC](#), [IRGC-Quds Force](#), and Iran’s [Ministry of Intelligence and Security](#) have all previously been designated as Specially Designated Global Terrorists (“**SDGTs**”) under a separate counterterrorism authority, Executive Order 13224. While the FTO designation was characterized in a [statement](#) by Secretary of State Pompeo as an action that will have a “significant impact” and “increase the financial pressure and isolation of Iran, and starve the government of resources it could devote to its terrorist pursuits,” its practical significance is likely limited. After the designation takes effect, knowing provision of material support or resources to the IRGC may be prosecuted under both the material support statute, 18 U.S.C. § 2339B (as a consequence of the FTO designation), and as a criminal sanctions violation under the International Emergency Economic Powers Act (as a consequence of previous sanctions against the IRGC). Other consequences of the FTO designation, including blocking of funds and visa restrictions, duplicate existing sanctions against the IRGC.

While largely symbolic, this action reinforces the U.S. government’s commitment to its “maximum pressure” campaign against Iran following withdrawal from the Joint Comprehensive Plan of Action last year, as detailed in prior [blog posts](#) and our [client memorandum](#) on reimposition of sanctions. As noted in Secretary Pompeo’s statement, the IRGC is “integrally woven into the Iranian economy, operating front companies and institutions around the world that engage in both licit

and illicit business activity,” and the FTO designation further increases the legal and reputational risks to U.S. and non-U.S. persons alike of dealings with the IRGC.