

JUDGMENT OF THE GENERAL COURT (First Chamber)

30 September 2026 (*)

(Common foreign and security policy – Restrictive measures taken in view of Iran’s military support to Russia’s war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region – Freezing of funds and economic resources – List of persons, entities and bodies subject to the freezing of funds and economic resources – Inclusion and maintenance of the applicant’s name on the list – Obligation to state reasons – Error of law – Error of assessment – Proportionality – Freedom to conduct a business)

In Case T-93/25,

Islamic Republic of Iran Shipping Lines, established in Tehran (Iran), represented by V. Ostrovskis and C. Cauvin, lawyers,

applicant,

v

Council of the European Union, represented by M. Di Gaetano, E. Kübler and A. Boggio-Tomasaz, acting as Agents,

defendant,

supported by

European Commission, represented by L. Baumgart and B. Hofstötter, acting as Agents,

intervener,

THE GENERAL COURT (First Chamber),

composed of E. Buttigieg, President, M. Kancheva (Rapporteur) and F. Bestagno, Judges,

Registrar: M. Zwozdziak-Carbonne, Administrator,

having regard to the written part of the procedure,

having regard to the decision of 16 March 2026 joining Cases T-93/25 and T-94/25 for the purposes of the oral part of the procedure,

further to the hearing on 29 April 2026,

gives the following

Judgment

- 1 By its action under Article 263 TFEU, the applicant, Islamic Republic of Iran Shipping Lines, seeks the annulment, in the first place, of Council Decision (CFSP) 2024/2894 of 18 November 2024 amending Decision (CFSP) 2023/1532 concerning restrictive

measures in view of Iran's military support to Russia's war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region (OJ L, 2024/2894) and of Council Implementing Regulation (EU) 2024/2896 of 18 November 2024 implementing Regulation (EU) 2023/1529 concerning restrictive measures in view of Iran's military support to Russia's war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region (OJ L, 2024/2896) (together, 'the November 2024 listing acts'), and, in the second place, of Council Decision (CFSP) 2025/1547 of 25 July 2025 amending Decision (CFSP) 2023/1532 concerning restrictive measures in view of Iran's military support to Russia's war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region (OJ L, 2025/1547) and of Council Implementing Regulation (EU) 2025/1548 of 25 July 2025 implementing Regulation (EU) 2023/1529 concerning restrictive measures in view of Iran's military support to Russia's war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region (OJ L, 2025/1548) (together, 'the July 2025 maintaining acts'), in so far as the November 2024 listing acts and the July 2025 maintaining acts (together, 'the contested acts') concern the applicant.

I. Background to the dispute and events subsequent to the bringing of the action

2 On 20 July 2023, the Council of the European Union adopted Decision (CFSP) 2023/1532 concerning restrictive measures in view of Iran's military support to Russia's war of aggression against Ukraine (OJ 2023 L 186, p. 20) and Regulation (EU) 2023/1529 concerning restrictive measures in view of Iran's military support of Russia's war of aggression against Ukraine (OJ 2023 L 186, p. 1).

3 On 14 May 2024, the Council adopted Decision (CFSP) 2024/1336 amending Decision 2023/1532 (OJ L, 2024/1336), introducing new restrictive measures in response to Iran's military support to Russia's war of aggression against Ukraine as well as Iran's supplying of unmanned aerial vehicles ('UAVs') and missiles to armed groups and entities in the Middle East and the Red Sea region, which undermines peace and security, as well as the sovereignty of states.

4 Article 1(1) of Decision 2024/1336 thus replaced the title of Decision 2023/1532 with the following text:

'Council Decision (CFSP) 2023/1532 of 20 July 2023 concerning restrictive measures in view of Iran's military support to Russia's war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region.'

5 Article 3(1) of Decision 2023/1532, as amended by Article 1(3) of Decision 2024/1336, provided for the following restrictive measures:

'1. All funds and economic resources belonging to, or owned, held or controlled by natural or legal persons, entities or bodies:

- (a) responsible for, supporting or involved in Iran's UAV or missile programme;
- (b) supplying, selling or otherwise involved in transferring Iran's UAVs or missiles or related technologies:
 - (i) to Russia in support of its war of aggression against Ukraine;
 - (ii) to armed groups and entities undermining peace and security in the Middle East and the Red Sea region;

(iii) to natural or legal persons, entities or bodies acting in breach of United Nations Security Council Resolution 2216 (2015); or

(c) associated with natural or legal persons, entities or bodies referred to in point (a) or point (b);

as listed in the Annex, shall be frozen.’

6 On the same day, the Council adopted Regulation (EU) 2024/1338 amending Regulation 2023/1529 (OJ L, 2024/1338). Article 1(1) of Regulation 2024/1338 replaced the title of Regulation 2023/1529 with the following text:

‘Council Regulation (EU) 2023/1529 of 20 July 2023 concerning restrictive measures in view of Iran’s military support to Russia’s war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region.’

7 Article 1(2) of Regulation 2024/1338 replaced the text of Article 3(1) of Regulation 2023/1529, reproducing *mutatis mutandis* the wording set out in paragraph 5 above.

8 On 18 November 2024, the Council adopted Decision 2024/2894 and Regulation (EU) 2024/2897 of 18 November 2024 amending Regulation 2023/1529 (OJ L, 2024/2897), by which it amended, respectively, Article 3(1) of Decision 2023/1532 and Annex I to that decision as well as Article 3(1) of Regulation 2023/1529. On the same day, it also adopted, on the basis of Article 7(1) of Regulation 2023/1529, Implementing Regulation 2024/2896, by which it amended Annex III to Regulation 2023/1529.

9 Article 3(1) of Decision 2023/1532, as amended by Article 1(4) of Decision 2024/2894, and Article 3(1) of Regulation 2023/1529, as amended by Article 1(3) of Regulation 2024/2897, provided for the following restrictive measures:

‘1. All funds and economic resources belonging to, or owned, held or controlled by natural or legal persons, entities or bodies:

(a) responsible for, supporting or involved in Iran’s UAV or missile programme;

(b) supplying, selling or otherwise involved in transferring Iran’s UAVs or missiles or related technologies or components thereof:

(i) to Russia in support of its war of aggression against Ukraine;

(ii) to armed groups and entities undermining peace and security in the Middle East and the Red Sea region;

(iii) to natural or legal persons, entities or bodies acting in breach of United Nations Security Council Resolution 2216 (2015); or,

(c) associated with natural or legal persons, entities or bodies referred to in point (a) or (b);

as listed in Annex I, shall be frozen.’

10 Annex I to Decision 2023/1532, as amended by Article 1(5) of Decision 2024/2894, contains the list of natural and legal persons, entities and bodies referred to in Articles 2 and 3 of Decision 2023/1532.

11 Under entry 20 of Part B, entitled ‘Legal persons, entities and bodies’, of the list of natural and legal persons, entities and bodies, referred to in paragraph 10 above, the

applicant's name and the grounds for the inclusion thereof were set out, inter alia, as follows:

‘Islamic Republic of Iran Shipping Lines (IRISL) is Iran’s national maritime carrier.

For years, its ships have been involved in shipping military related cargo. The EU-listed Iran’s Islamic Revolutionary Guard Corps Navy (IRGCN) converts container ships owned by IRISL into drone carriers.

The IRGCN is part of the IRGC, and includes an unmanned aerial vehicle (UAV) division and a missiles division. The IRGCN is involved in Iran’s UAV and missile programmes as well as in transferring Iran’s missiles to armed groups and entities undermining peace and security in the Middle East and the Red Sea region.

Therefore, IRISL is associated with the EU-listed IRGCN.’

- 12 Under entry 20 of Part B, entitled ‘Legal persons, entities and bodies’, of the list of natural and legal persons, entities and bodies set out in Annex III to Regulation 2023/1529, as amended by Article 1 of Implementing Regulation 2024/2896, the applicant's name and the grounds for the inclusion thereof were set out, inter alia, in terms identical to those referred to in paragraph 11 above.
- 13 On 19 November 2024, the Council published in the *Official Journal of the European Union* a notice for the attention of the persons, entities and ports subject to the restrictive measures provided for in [the November 2024 listing acts] (OJ C, C/2024/7047).
- 14 By letter of 13 January 2025, following a request from the applicant to that end, the Council sent it the evidence file bearing the reference WK 12325/2024 DCL1 of 9 January 2025 (‘the evidence file WK 12325/2024 DCL1’), which included the documents supporting the inclusion of the applicant’s name on the list set out in Annex I to Decision 2023/1532 and on the list set out in Annex III to Regulation 2023/1529 (‘the lists at issue’).
- 15 On 13 May 2025, the Council informed the applicant of its intention to maintain its name on the lists at issue on grounds that partly differed from the previous grounds. It also sent the applicant the evidence file bearing the reference WK 5850/2025 of 8 May 2025 (‘the evidence file WK 5850/2025’), which included the documents supporting the proposed amendment of the grounds for maintaining its name as compared to the previous grounds, and requested the applicant to submit observations in that regard.
- 16 The grounds for maintaining the applicant’s name on the lists at issue communicated to the applicant on 13 May 2025 were as follows:

‘Islamic Republic of Iran Shipping Lines (IRISL) is a major Iranian maritime carrier.

For years, its vessels have been implicated in shipping military related cargo, in particular for the Islamic Revolutionary Guard Corps (IRGC) and some of its branches, notably the (EU-listed) Islamic Revolutionary Guard Corps Navy (IRGCN) and the (EU-listed) Islamic Revolutionary Guard Corps Research and Self-Sufficiency Jihad Organisation (IRGC/SSJO).

The IRGCN converts container ships owned or previously owned by IRISL Group into drone carriers. The IRGCN is part of the IRGC, and includes a UAVs division and a missiles division. The IRGCN is involved in Iran’s UAV and missile programmes and involved in transferring Iran’s missiles to armed groups and entities undermining peace and security in the Middle East and the Red Sea region.

The IRGC/SSJO is a research and development unit part of the IRGC that develops and manufactures ground penetrating radar, communication systems, weaponry, combat vehicles and electronic cyberwarfare equipment. The IRGC/SSJO is involved in Iran's UAV and missile programmes and in transferring Iranian UAVs to [the Russian Federation] in support of its war of aggression against Ukraine.

Concluding, IRISL is involved in transferring Iran's UAVs or missiles or related technologies to [the Russian Federation] in support of its war of aggression against Ukraine and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region, and is associated with branches of the IRGC, in particular the (EU-listed) IRGC/SSJO and the (EU-listed) IRGCN.'

- 17 By letter of 27 May 2025, the applicant sent the Council its observations on the grounds for maintaining its name on the lists at issue and on the evidence file WK 5850/2025 that had been communicated to it on 13 May 2025, as well as new supporting documents.
- 18 By letter of 30 June 2025, the Council sent the applicant a new version of the grounds for maintaining its name on the lists at issue and the evidence file bearing the reference WK 8622/2025 of 23 June 2025 ('the evidence file WK 8622/2025'), which included documents in support of those grounds for maintaining its name, and requested the applicant to submit its observations in that regard.
- 19 The new version of the grounds for maintaining the applicant's name on the lists at issue, sent to the applicant on 30 June 2025, was worded as follows:

'Islamic Republic of Iran Shipping Lines (IRISL) is a major Iranian maritime carrier. For years, ships belonging to or managed by IRISL or its affiliated companies have been implicated in shipping military related cargo and other activities aimed at providing support to [the Russian Federation] in support of its war of aggression against Ukraine and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region, in particular in relation with the Islamic Revolutionary Guard Corps (IRGC) and some of its branches, notably the (EU-listed) Islamic Revolutionary Guard Corps Navy (IRGCN) and the (EU-listed) Islamic Revolutionary Guard Corps Research and Self-Sufficiency Jihad Organisation (IRGC/SSJO).

The IRGCN converts container ships owned or previously owned by IRISL Group into drone carriers. The IRGCN is part of the IRGC, and includes a UAVs division and a missiles division. The IRGCN is involved in Iran's UAV and missile programmes and involved in transferring Iran's missiles to armed groups and entities undermining peace and security in the Middle East and the Red Sea region.

The IRGC/SSJO is a research and development unit part of the IRGC that develops and manufactures ground penetrating radar, communication systems, weaponry, combat vehicles and electronic cyberwarfare equipment. The IRGC/SSJO is involved in Iran's UAV and missile programmes and in transferring Iranian UAVs to [the Russian Federation] in support of its war of aggression against Ukraine.

Concluding, IRISL is involved in transferring Iran's UAVs or missiles or related technologies to [the Russian Federation] in support of its war of aggression against Ukraine and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region, and is associated with branches of the IRGC, in particular the (EU-listed) IRGC/SSJO and the (EU-listed) IRGCN.'

- 20 By letter of 10 July 2025, the applicant sent the Council its observations on the new version of the grounds for maintaining its name on the lists at issue and on the

evidence file WK 5850/2025 that had been communicated to it on 30 June 2025.

- 21 On 25 July 2025, the Council adopted the July 2025 maintaining acts.
- 22 The grounds for maintaining the applicant's name on the lists at issue were worded as follows:

'Islamic Republic of Iran Shipping Lines (IRISL) is a major Iranian maritime carrier.

For years, ships belonging to or managed by IRISL or its affiliated companies, have been implicated in shipping military related cargo and other activities aimed at providing support to [the Russian Federation] in support of its war of aggression against Ukraine and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region, in particular in relation with the Islamic Revolutionary Guard Corps (IRGC) and some of its branches, notably the (EU-listed) Islamic Revolutionary Guard Corps Navy (IRGCN) and the (EU-listed) Islamic Revolutionary Guard Corps Research and Self-Sufficiency Jihad Organisation (IRGC/SSJO).

The (EU-listed) Islamic Revolutionary Guard Corps Navy (IRGCN) converts container ships owned or previously owned by IRISL Group into drone carriers. The IRGCN is part of the IRGC, and includes an unmanned aerial vehicle (UAV) division and a missiles division. The IRGCN is involved in Iran's UAV and missile programmes and involved in transferring Iran's missiles to armed groups and entities undermining peace and security in the Middle East and the Red Sea region.

The IRGC/SSJO is a research and development unit that is part of the IRGC that develops and manufactures ground penetrating radar, communication systems, weaponry, combat vehicles and electronic cyberwarfare equipment. The IRGC/SSJO is involved in Iran's UAV and missile programmes and in transferring Iranian UAVs to [the Russian Federation] in support of its war of aggression against Ukraine.

Therefore, IRISL is involved in transferring Iran's UAVs or missiles or related technologies to [the Russian Federation] in support of its war of aggression against Ukraine and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region, and is associated with branches of the IRGC, in particular the (EU-listed) IRGC/SSJO and the (EU-listed) IRGCN.'

- 23 By document of 6 September 2025, on the basis of Article 86 of the Rules of Procedure of the General Court, the applicant lodged a statement of modification, seeking also the annulment of the July 2025 maintaining acts, in so far as they concerned it.
- 24 The Council and the European Commission lodged their observations on the statement of modification on 6 and 26 November 2025, respectively.

II. Forms of order sought

- 25 The applicant claims that the Court should:
- annul the contested acts, in so far as they concern it;
 - order the Council to pay the costs.
- 26 The Council, supported by the Commission, contends that the Court should:
- dismiss the action as unfounded;

- order the applicant to pay the costs;
- in the alternative:
 - in the event that it annuls in part the November 2024 listing acts, in so far as they concern the applicant, order that the effects of Decision 2024/2894 be maintained until the partial annulment of Implementing Regulation 2024/2896 takes effect;
 - in the event that it annuls in part the July 2025 maintaining acts, in so far as they concern the applicant, order that the effects of Decision 2025/1547 be maintained until the partial annulment of Implementing Regulation 2025/1548 takes effect.

III. Law

27 In support of the action, the applicant raises five pleas in law. The first plea alleges, in essence, that the facts are materially inaccurate. The second plea in law alleges errors of assessment. The third plea in law alleges a failure to comply with the obligation to state reasons. The fourth plea in law alleges a failure to observe the principle of legality and the fifth plea in law alleges a failure to observe the principle of proportionality.

28 It is appropriate to examine, first of all, the third plea, then, together, the first and second pleas, and, lastly, the fourth and fifth pleas in turn.

A. **The third plea in law, alleging a failure to comply with the obligation to state reasons**

29 The applicant submits that the Council failed to comply with its obligation to state reasons laid down in the second paragraph of Article 296 TFEU as regards both the November 2024 listing acts and the July 2025 maintaining acts.

1. ***The statement of reasons for the November 2024 listing acts***

30 The applicant submits that, first, the statement of reasons for the November 2024 listing acts does not make it possible to understand why the Council considered that the applicant was associated with the Islamic Revolutionary Guard Corps Navy (IRGCN), and, second, those reasons, as well as multiple pieces of evidence relied on by the Council, do not relate to the listing criteria stipulated in Article 3(1) of Decision 2023/1532 and Regulation 2023/1529, but to the listing criteria provided for by an earlier restrictive measures regime which has since been repealed.

31 The Council disputes the applicant's arguments.

32 It should be recalled that, according to settled case-law, the purpose of the obligation to state the reasons on which an act adversely affecting an individual is based, which is the corollary of the principle of respect for the rights of the defence, is, first, to provide the person concerned with sufficient information to make it possible to ascertain whether the act is well founded or whether it is vitiated by a defect which may permit its legality to be contested before the EU Courts and, second, to enable those Courts to review the legality of that act (see judgment of 15 November 2012, *Council v Bamba*, C-417/11 P, EU:C:2012:718, paragraph 49 and the case-law cited).

33 It should also be borne in mind that the statement of reasons required by Article 296 TFEU and by Article 41(2)(c) of the Charter of Fundamental Rights of the European Union ('the Charter') must be appropriate to the nature of the act at issue and the

context in which it was adopted. The requirements to be satisfied by the statement of reasons depend on the circumstances of each case, in particular the content of the measure in question, the nature of the reasons given and the interest which the addressees of the measure, or other parties to whom it is of direct and individual concern, may have in receiving explanations. It is not necessary for the reasoning to go into all the relevant facts and points of law, since the question whether the statement of reasons is sufficient must be assessed with regard not only to its wording but also to its context and to all the legal rules governing the matter in question (see judgment of 17 September 2020, *Rosneft and Others v Council*, C-732/18 P, not published, EU:C:2020:727, paragraph 77 and the case-law cited; judgment of 27 July 2022, *RT France v Council*, T-125/22, EU:T:2022:483, paragraph 103).

- 34 Thus, first, the reasons given for a decision adversely affecting a person or entity are sufficient if it was adopted in circumstances known to the party concerned which enable him or her or it to understand the scope of the measure concerning him or her or it (see judgment of 17 September 2020, *Rosneft and Others v Council*, C-732/18 P, not published, EU:C:2020:727, paragraph 78 and the case-law cited). Second, the degree of precision of the statement of the reasons for a measure must be weighed against practical realities and the time and technical facilities available for taking the measure (see judgment of 27 July 2022, *RT France v Council*, T-125/22, EU:T:2022:483, paragraph 104 and the case-law cited).
- 35 In addition, it has been made clear in the case-law that the statement of reasons for an act of the Council which imposed a restrictive measure had not only to identify the legal basis for that measure but also the actual and specific reasons why the Council considered, in the exercise of its discretion, that such a measure had to be adopted in respect of the party concerned (see judgment of 27 July 2022, *RT France v Council*, T-125/22, EU:T:2022:483, paragraph 105 and the case-law cited).
- 36 Lastly, it should be recalled that the obligation to state the reasons on which an act is based is an essential procedural requirement which must be distinguished from the question of the merits of the reasons, which concerns the substantive legality of the act at issue. The reasoning on which an act is based consists in a formal statement of the grounds on which that act is based. If those grounds are vitiated by errors, those errors will vitiate the substantive legality of that act, but not its statement of reasons, which may be adequate even though it sets out reasons which are incorrect (see, to that effect, judgment of 13 September 2013, *Makhlouf v Council*, T-383/11, EU:T:2013:431, paragraphs 73 and 74 and the case-law cited).
- 37 It is in the light of those considerations that it is necessary to examine the applicant's line of argument that the grounds set out in the November 2024 listing acts do not enable it to understand the conduct which the Council alleges on its part in the acts in question or the link between that conduct and the listing criteria set out in Article 3(1) of Decision 2023/1532.
- 38 In that respect, as regards the context in which the applicant's name was included on the lists at issue, it must be noted that recital 6 of the November 2024 listing acts states that 'the Iranian missile programme, which is based on state-owned as well as private companies and benefits from domestic research capabilities, is run by the Ministry of Defence and Armed Forces Logistics of Iran and the [IRGC], both of which are subject to Union restrictive measures.'
- 39 It is stated in recital 7 of the November 2024 listing acts, first, that 'the transfer of Iranian-made UAVs and missiles and related technologies and components thereof to [the Russian Federation] and to non-state armed groups in the Middle East and beyond is a central issue of concern', and, second, that 'Iran has transferred Iranian-made

UAVs and missiles and related technologies and components thereof to [the Russian Federation], including by using vessels and ports.’

- 40 Recital 8 of the November 2024 listing acts states that, ‘in view of the gravity of the situation, and in response to Iran’s military support to [the Russian Federation’s] war of aggression against Ukraine, in particular Iran’s supply of UAVs and missiles to [the Russian Federation], which undermines peace and security and is a direct threat to European security, it is appropriate to introduce further restrictive measures.’
- 41 As regards the grounds for including the applicant’s name on the lists at issue, it must be noted at the outset that those grounds do not contain any information from which it may be concluded that that listing was justified by the fact that the applicant was ‘responsible for, supporting or involved in Iran’s UAV or missile programme’ (Article 3(1)(a) of Decision 2023/1532).
- 42 By contrast, it is clear from the third paragraph and the last sentence of the grounds for including the applicant’s name on the lists at issue that the Council justified the inclusion of its name on those lists by the circumstance, referred to in Article 3(1)(c) of Decision 2023/1532, that the applicant was associated with an entity, namely the IRGCN, whose conduct is covered by Article 3(1)(a) and Article 3(1)(b)(ii) of that decision.
- 43 As regards the reasons why the Council found that the applicant was associated with the IRGCN, contrary to what the applicant claims, those are apparent from the first and second paragraphs of the statement of reasons for the November 2024 listing acts, which state that ‘for years’, the ships of the applicant, which is ‘Iran’s national maritime carrier’, ‘have been involved in shipping military related cargo’, and that ‘the ... Islamic Revolutionary Guard Corps Navy (IRGCN) converts container ships owned by [the applicant] into drone carriers.’
- 44 It must be stated that those grounds, read in the light of the contextual information recalled in recitals 6 to 8 of the November 2024 listing acts, set out in a sufficiently specific and precise manner the reasons why the Council considered, in the exercise of its discretion, that a restrictive measure had to be adopted in respect of the applicant.
- 45 In that regard, it is important to point out that the question whether such circumstances, even if proved, are capable of demonstrating that the applicant was associated with the IRGCN, within the meaning of Article 3(1)(c) of Decision 2023/1532, does not fall within the scope of the assessment of compliance with the obligation to state reasons, but of the assessment of a possible error of law, which concerns the merits of the November 2024 listing acts. It follows that, in accordance with the case-law referred to in paragraph 36 above, the applicant’s argument that the Council has not shown that the applicant and the IGCN were associated is not such as to demonstrate that the Council failed to comply with its obligation to state reasons.
- 46 Similarly, the applicant’s argument that the documents in the evidence file WK 12325/2024 DCL1 do not relate to the association criterion set out in Article 3(1)(c) of Decision 2023/1532 should be rejected, since that argument also concerns the merits of the November 2024 listing acts and not the Council’s compliance with its obligation to state reasons.
- 47 For the same reasons, it is also necessary to reject the applicant’s argument that, in essence, the statement of reasons for the November 2024 listing acts and the documents produced by the Council concern conduct on the part of the applicant which had in the past justified the adoption of other restrictive measures against it, which have since been repealed.

48 In those circumstances, the third plea in law must be rejected in so far as it concerns the November 2024 listing acts.

2. ***The statement of reasons for the July 2025 maintaining acts***

49 The applicant submits that the statement of reasons for the July 2025 maintaining acts does not identify any specific conduct attributable to it in support of the Russian Federation's war of aggression against Ukraine or in relation to armed groups and entities undermining peace and security in the Middle East and the Red Sea region. According to the applicant, that statement of reasons also fails to establish any legally relevant association between it and the designated branches of the Islamic Revolutionary Guards Corps, namely the IRGCN and the IRGC/SSJO.

50 The applicant claims that the progressive revisions of the statement of reasons for the July 2025 maintaining acts between May and July 2025 reflect an effort to align the language with the listing criteria set out in Article 3(1) of Decision 2023/1532, but result only in formulations that are ambiguous and overly broad, lacking a sufficient connection with those criteria.

51 In addition, the applicant submits that the statement of reasons for the July 2025 maintaining acts merges the listing criteria set out in Article 3(1)(b) and (c) of Decision 2023/1532. According to the applicant, it is apparent from that statement of reasons that the Council infers from the applicant's alleged association with the IRGCN or the IRGC/SSJO that the applicant has itself transferred UAVs or missiles to Russia or to armed groups, while suggesting that the applicant must necessarily be associated with the IRGC or its branches since companies said to be affiliated with the applicant have allegedly participated in the shipping of military equipment. It states that the listing criteria are, however, autonomous, and the Council must, in that respect, demonstrate specific conduct and cannot remedy the evidentiary gap under one criterion by way of assumptions from another criterion.

52 The Council disputes the applicant's arguments.

53 It is clear from the last paragraph of the statement of reasons for the July 2025 maintaining acts, referred to in paragraph 22 above, that the Council considered that the inclusion of the applicant's name on the lists at issue was justified by the circumstance that it '[was] involved in transferring Iran's UAVs or missiles or related technologies to Russia in support of its war of aggression against Ukraine' and 'to armed groups and entities undermining peace and security in the Middle East and the Red Sea region', within the meaning of Article 3(1)(b)(i) and (ii) of Decision 2023/1532. It is also clear from that last paragraph of the statement of reasons that the applicant was associated with the IRGCN and the IRGC/SSJO, whose names were included on those lists, within the meaning of Article 3(1)(c) of Decision 2023/1532.

54 The reason why the Council found that the applicant's conduct satisfied both the criteria laid down in Article 3(1)(b)(i) and (ii) of Decision 2023/1532 and the criterion laid down in Article 3(1)(c) of that decision is set out in the second paragraph of the statement of reasons for the July 2025 maintaining acts. Thus, first, it is clear from that paragraph that, for years, ships belonging to or managed by the applicant or its affiliated companies have been implicated in shipping military-related cargo and other activities aimed at providing support to the Russian Federation in support of its war of aggression against Ukraine and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region. Second, it is also clear from the second paragraph of that statement of reasons that that implication is linked to certain branches of Iran's Islamic Revolutionary Guard Corps, namely the IRGCN and the IRGC/SSJO.

- 55 The statement of reasons for the July 2025 maintaining acts also provides, in its third paragraph, another ground justifying the inclusion of the applicant's name on the lists at issue under the criterion laid down in Article 3(1)(c) of Decision 2023/1532, namely that 'the (EU-listed) [IRGCN] converts container ships owned or previously owned by [the applicant's] Group into drone carriers.'
- 56 In that regard, it is important to point out that, contrary to what the applicant claims, the use of the expression 'for years' in the second paragraph of the statement of reasons for the July 2025 maintaining acts does not create uncertainty as regards the period referred to such as to prevent the applicant from understanding the conduct of which it is accused.
- 57 First, the expression 'for years' in the second paragraph of the statement of reasons for the July 2025 maintaining acts must be read in the context of the remainder of the sentence to which it belongs, which states that, 'for years, ships belonging to or managed by [the applicant] or its affiliated companies, have been implicated in shipping military related cargo and other activities aimed at providing support to [the Russian Federation] in support of its war of aggression against Ukraine and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region ...'. It is clear from that part of the sentence that the Council refers to current conduct on the part of the applicant and its affiliated companies, which has been ongoing for several years.
- 58 Second, as the Council correctly submits, in accordance with the case-law referred to in paragraph 34 above, the expression 'for years' in the second paragraph of the statement of reasons for the July 2025 maintaining acts must be read in the light of the context, of which the applicant was aware. In the present case, it must be stated that exhibits 1, 4, 6, 16 and 17 in the evidence file WK 5850/2025 and exhibits 1 and 3 in the evidence file WK 8622/2025, which were communicated to the applicant before the adoption of those acts, refer to the transport of goods that were presented as being military in nature, by vessels presented as belonging to the applicant or managed by its subsidiaries, on specific dates in the years 2022 to 2025.
- 59 Similarly, as regards the applicant's argument that the expression 'ships belonging to or managed by [the applicant] or its affiliated companies' is too vague and ambiguous to enable it to understand of what it is accused, it must be noted that that expression must also be read in conjunction with the documents contained in the evidence file WK 8622/2025.
- 60 Thus, exhibits 10 to 14 in the evidence file WK 8622/2025 specify the identity of the vessels concerned by the transfers of military-related cargo and the link between those vessels of the applicant or of its subsidiaries. In particular, exhibits 10 and 11 in that file refer to the vessel *Golbon*, which carries the applicant's name. Exhibit 13 refers to the vessels *Daisy*, *Azargoun* and *Jairan*, whose registered owner is Mosakhar Darya Shipping Company. Exhibit 14 in that file refers to the vessel *Shiba*, whose registered owner is Oghiaanous Khoroushan Shipping Lines Company of Kish.
- 61 It must also be noted that exhibit 12 in the evidence file WK 8622/2025 refers to the fact that the vessel *Daisy* is under the commercial management of Rahbaran Omid Darya Ship Management Company. Similarly, exhibit 14 in that file refers to the fact that the vessels *Golbon* and *Shiba* are managed by Oghiaanous Khoroushan Shipping Lines Company of Kish.
- 62 Furthermore, it is clear from exhibits 5, 6, 13 and 14 in the evidence file WK 8622/2025 that the applicant is the ultimate owner of the companies Oghiaanous Khoroushan Shipping Lines Company of Kish, Mosakhar Darya Shipping Company, Hafez Darya

Arya Shipping Company Joint Stock Company (HDASCO), and Hafez Darya Arya Shipping Company (HDS Line), which are themselves linked to Rahbaran Omid Darya Ship Management Company.

63 Furthermore, in the light of the case-law cited in paragraph 36 above, the applicant's argument that the expression 'other activities aimed at providing support to [the Russian Federation] in support of its war of aggression' does not correspond to the wording of Article 3(1) of Decision 2023/1532 cannot succeed, since it does not concern compliance with the obligation to state reasons, but the merits of maintaining the applicant's name on the lists at issue.

64 It must be noted that the applicant's argument that, in essence, the inclusion of its name on the lists at issue cannot be justified by identical grounds on the basis of different criteria, such as those set out in Article 3(1)(b) and (c) of Decision 2023/1532, also cannot succeed, since it does not relate to compliance with the obligation to state reasons, but to the merits of that inclusion.

65 In the light of the considerations set out in paragraphs 53 to 64 above, it must be stated that the grounds of the July 2025 maintaining acts, read in the light of the contextual information referred to in paragraphs 58 and 60 to 62 above, set out in a sufficiently specific and precise manner the reasons why the Council considered, in the exercise of its discretion, that the applicant's name had to be maintained on the lists at issue.

66 It follows that the third plea in law must be rejected also in so far as it concerns the July 2025 maintaining acts.

67 The third plea in law must therefore be rejected in its entirety as unfounded.

B. The first and second pleas in law, alleging that the facts are materially inaccurate as well as errors of assessment

68 In the context of the first and second pleas in law, the applicant disputes that the inclusion and maintenance of its name on the lists at issue by the November 2024 listing acts and the July 2025 maintaining acts were well founded.

69 It must be recalled that the effectiveness of the judicial review guaranteed by Article 47 of the Charter requires, in particular, that the EU Courts ensure that the decision by which restrictive measures were adopted or maintained, which affects the person or entity concerned individually, is taken on a sufficiently solid factual basis. That entails a verification of the factual allegations in the summary of reasons underpinning that decision, with the consequence that judicial review cannot be restricted to an assessment of the cogency in the abstract of the reasons relied on, but must concern whether those reasons, or, at the very least, one of those reasons, deemed sufficient in itself to support that decision, is substantiated (see, to that effect, judgment of 18 July 2013, *Commission and Others v Kadi*, C-584/10 P, C-593/10 P and C-595/10 P, EU:C:2013:518, paragraph 119).

70 Such an assessment must be carried out by examining the evidence and information not in isolation but in its context. The Council discharges the burden of proof borne by it if it presents to the EU Courts a body of evidence sufficiently specific, precise and consistent to establish that there is a sufficient link between the person or entity subject to a measure freezing its funds and the regime or, in general, the situations being combated (see, to that effect, judgment of 20 July 2017, *Badica and Kardiam v Council*, T-619/15, EU:T:2017:532, paragraph 99 and the case-law cited).

- 71 It is for the EU Courts, in order to carry out that examination, to request the competent EU authority, when necessary, to produce information or evidence, confidential or not, relevant to such an examination (see judgment of 18 July 2013, *Commission and Others v Kadi*, C-584/10 P, C-593/10 P and C-595/10 P, EU:C:2013:518, paragraph 120 and the case-law cited).
- 72 That is because it is the task of the competent EU authority to establish, in the event of challenge, that the reasons relied on against the person or entity concerned are well founded, and not the task of that person or entity to adduce evidence of the negative, that those reasons are not well founded (see, to that effect, judgment of 18 July 2013, *Commission and Others v Kadi*, C-584/10 P, C-593/10 P and C-595/10 P, EU:C:2013:518, paragraph 121).
- 73 For that purpose, there is no requirement that that authority produce before the EU Courts all the information and evidence underlying the reasons alleged in the act whose annulment is sought. It is however necessary that the information or evidence produced should support the reasons relied on against the person or entity concerned (see, to that effect, judgment of 18 July 2013, *Commission and Others v Kadi*, C-584/10 P, C-593/10 P and C-595/10 P, EU:C:2013:518, paragraph 122).
- 74 If the competent EU authority provides relevant information or evidence, the EU Courts must then determine whether the facts alleged are made out in the light of that information or evidence and assess the probative value of that information or evidence in the circumstances of the particular case and in the light of any observations submitted in relation to them by, among others, the person or entity concerned (see, to that effect, judgment of 18 July 2013, *Commission and Others v Kadi*, C-584/10 P, C-593/10 P and C-595/10 P, EU:C:2013:518, paragraph 124).
- 75 In that regard, it is important to recall that, in the absence of investigative powers in third countries, the assessment of the EU authorities must rely on publicly available sources of information, reports, articles in the press, intelligence reports or other similar sources of information (judgments of 14 March 2018, *Kim and Others v Council and Commission*, T-533/15 and T-264/16, EU:T:2018:138, paragraph 107, and of 1 June 2022, *Prigozhin v Council*, T-723/20, not published, EU:T:2022:317, paragraph 59).
- 76 It would be excessive and disproportionate to require the Council itself to investigate on the ground the accuracy of facts which are relayed by numerous media (judgments of 1 June 2022, *Prigozhin v Council*, T-723/20, not published, EU:T:2022:317, paragraph 59, and of 7 May 2025, *Anwar Akkad v Council*, T-502/23, not published, EU:T:2025:445, paragraph 58).
- 77 Press articles may thus be used in order to support the existence of certain facts if they come from several different sources and are sufficiently specific, precise and consistent as regards the facts described therein (see judgment of 11 September 2019, *Topor-Gilka and WO Technopromexport v Council*, T-721/17 and T-722/17, not published, EU:T:2019:579, paragraph 137 and the case-law cited).
- 78 It is in the light of those considerations that it must be examined whether the inclusion and maintenance of the applicant's name on the lists at issue were well founded.

1. *Whether the inclusion of the applicant's name on the lists at issue by the November 2024 listing acts was well founded*

- 79 The applicant submits that, in essence, the allegations set out in the statement of reasons for the November 2024 listing acts are not supported to the requisite legal

standard by the documents contained in the evidence file WK 12325/2024 DCL1 and that the Council made an error of assessment in finding that those allegations justified the inclusion of the applicant's name on the lists at issue under the criterion laid down in Article 3(1)(c) of Decision 2023/1532.

(a) ***Whether the allegations contained in the statement of reasons for the November 2024 listing acts are materially accurate***

80 The applicant calls into question the material accuracy of the two factual allegations on which the inclusion of its name on the lists at issue is based under the criterion laid down in Article 3(1)(c) of Decision 2023/1532, that is to say, that, first, 'for years, its ships have been involved in shipping military related cargo', and, second, '[the IRGCN] converts container ships owned by [the applicant] into drone carriers.'

81 In order to justify the inclusion of the applicant's name on the lists at issue by the November 2024 listing acts, the Council provided the documents contained in the evidence file WK 12325/2024 DCL1, containing the following 20 documents:

- an article which appeared on 20 June 2020 on the website Iran Watch, accessed on 9 August 2024 (exhibit 1);
- an article in Russian which appeared on 30 April 2019 on the website 'dzen.ru', accessed on 9 August 2024, together with a translation thereof, concerning the vessel *Shahr E Kord* (exhibit 2);
- a screenshot of a page dated 7 June 2023 from the website 'balticshipping.com', accessed on 9 August 2024, concerning the vessel *Shahr E Kord* (exhibit 3);
- an article in Hebrew which appeared on 13 March 2024 on the website Intelli Times, accessed on 9 August 2024, concerning the transport of military equipment by the vessels *Azargoun*, *Arezoo*, *Shiba*, *Kashan* and *Daisy* since 2022, between the port of Bandar Abbas in Iran and the port of Latakia in Syria (exhibit 4);
- an article which appeared on 19 January 2021 on the website 'sayari.com', accessed on 9 August 2024, concerning the way in which the applicant used front companies established in third countries to hide the fact that it was the owner and manager of four vessels subject to sanctions adopted by the United States of America (exhibit 5);
- a screenshot of the website Maritime Informed, accessed on 9 August 2024, concerning the assistance provided by the applicant to Iran's Ministry of Defence and Armed Forces Logistics, as well as to subordinates thereof, including the Aerospace Industries Organization, Defense Industries Organization, and the Shahid Hemmat Industrial Group (exhibit 6);
- an extract from a report of the panel of experts set up in accordance with United Nations Security Council Resolution 1874 (2009) of 12 June 2009, published on 4 March 2021, accessed on 23 September 2024, concerning a request for information addressed to the Islamic Republic of Iran by that panel in relation to information received by it concerning the involvement of the Korea Mining Development Trading Corporation (KOMID) and the Shahid Haj Ali Movaeh Research Center (SHIG) in shipments to the Islamic Republic of Iran, using vessels belonging to the applicant, of materials related to the cooperation between the Islamic Republic of Iran and the Democratic People's Republic of Korea in the field of ballistic missiles (exhibit 7);

- an article which appeared on 4 January 2023 on the website The Maritime Executive, accessed on 23 September 2024, concerning the IRGC's project of converting container ships, from vessels of the applicant, into warships (exhibit 8);
- an article which appeared on 7 March 2023 on the website The Middle East Institute, accessed on 23 September 2024, concerning the creation by the IRGCN, from two container ships owned by the applicant, of its first aircraft carriers, namely the *Shahid Mahdavi* and the *Shahid Bagheri* (exhibit 9);
- an article which appeared on 14 February 2024 on the website Malta ship photos & Action photos, accessed on 23 August 2024, concerning the announcement by the IRGC of a test that had fired two ballistic missiles from the deck of the warship *Shahid Mahdavi* (exhibit 10);
- an article which appeared on 21 August 2024 on the website Military Watch Magazine, accessed on 23 September 2024, concerning the publication by Iranian media of the first clear footage of the first Iranian aircraft carrier, namely the *Shahid Mahdavi* (exhibit 11);
- an article which appeared on 21 August 2024 on the website Foundation for Defense of Democracies, accessed on 23 September 2024, concerning a ceremony held to mark the addition to the IRGCN of two new, Chinese-inspired patrol ships, namely the *Shahid Sayad Shirazi* and the *Shahid Bagheri* (exhibit 12);
- an article which appeared on the website Institute for the Study of War, accessed on 23 September 2024, concerning the use by the Islamic Republic of Iran of its navy, of the IRGCN and of the applicant to pursue a naval and maritime strategy in support of its objectives of regional power and influence (exhibit 13);
- an article which appeared on 18 July 2024 on the website Lowy Institute, accessed on 23 September 2024, concerning the long-range threat capability provided to the IRGCN by the warship *Shahid Mahdavi* (exhibit 14);
- a report published in February 2024 by the United States Defense Intelligence Agency, accessed on 19 April 2024, concerning the use by armed Houthi groups of Iranian missiles and drones to conduct attacks throughout the Middle East (exhibit 15);
- a press release from the United States Navy, which appeared on 15 February 2024 on its website, accessed on 19 April 2024, concerning the interception of a vessel containing weapons, including components of ballistic missiles and underwater drones, shipped by the Islamic Republic of Iran to Houthi groups in breach of United States sanctions (exhibit 16);
- a post from the account SprinterFactory, which appeared on 4 May 2024 on the social network X, accessed on 6 May 2024, concerning the presentation by the Islamic Republic of Iran of the new drone-carrying vessel *Shahid Bahman Bagheri*, formerly called *Sarveen*, accompanied by photographs of the vessel in question (exhibit 17);
- a post from the account mhmiranusa, attributed to the journalist Mehdi H., which appeared on 13 March 2023 on the social network X, concerning the launch of an IRGCN drone from the deck of the vessel *Shahid Mahdavi* (exhibit 18);

- a post from the account IranObserver, which appeared on 24 September 2023 on the social network X, accessed on 6 May 2024, concerning a statement by an IRGCN commander that the IRGC was developing naval drones capable of landing on water and of carrying missiles and bombs (exhibit 19);
- a post from the account IranObserver, which appeared on 5 August 2023 on the social network X, accessed on 6 May 2024, concerning the delivery to the IRGC of hundreds of new strategic systems and equipment in the field of, inter alia, UAVs and missiles, showcased by video screenshots (exhibit 20).

82 It is therefore necessary to ascertain whether the documents referred to in paragraph 81 above support to the requisite legal standard the two factual allegations on which the inclusion of the applicant's name on the lists at issue is based, under the criterion laid down in Article 3(1)(c) of Decision 2023/1532, as set out in the statement of reasons for the November 2024 listing acts.

(1) *The allegation that '[the IRGCN] converts container ships owned by [the applicant] into drone carriers'*

83 The applicant disputes the Council's assertion that '[the IRGCN] converts container ships owned by [the applicant] into drone carriers.' It submits in that regard that it transferred the two vessels, namely the *Perarin* and the *Sarvin*, referred to in the evidence file WK 12325/2024 DCL1, to a private buyer with no known affiliation with the IRGCN or other military entities, on 16 February 2022, that is, more than a year before the adoption of Decision 2023/1532, as evidenced by the deeds of sale for those vessels set out in Annex A.13 to the application. It states that it is apparent from the extracts from the database of the International Maritime Organization (IMO) that the vessels in question, which have since been renamed the *Shahid Mahdavi* and the *Shahid Bagheri*, are currently owned by the Iranian Government and by the IRGCN, respectively. According to the applicant, that fact is confirmed by exhibits 8 to 12, 14, 17 and 18 in that evidence file. It states in that regard that the fact that the IMO register identification number ('the IMO number') of each of those vessels was amended following their sale on 16 February 2022 and that those IMO numbers no longer correspond to those under which its vessels had been registered confirms that it no longer exercised any control over those vessels after their sale. In the reply, the applicant submits that, contrary to what the Council claims, exhibit 8 in that evidence file is not capable of demonstrating that it owned another container ship converted by the IRGCN into a drone carrier.

84 The Council, supported by the Commission, disputes the applicant's arguments.

85 The Council contends that it is apparent from exhibits 8 to 12, 14 and 17 in the evidence file WK 12325/2024 DCL1 that the vessels *Shahid Mahdavi* and *Shahid Bagheri* belonged to the applicant until they were transferred to the IRGCN for conversion into drone carriers. The Council adds that the applicant has not shown that, after the sale of the vessels *Perarin* and *Sarvin*, it did not retain control over those vessels through front companies, a practice in which it has, according to the Council, a certain track record. Furthermore, the extracts from the databases of the IMO produced by the applicant post-date the adoption of the November 2024 listing acts and do not make it possible to determine the identity of the owners of the vessels over time. Furthermore, exhibit 8 in that evidence file shows that another Panamax vessel belonging to the applicant was converted into a warship by the IRGCN.

86 In that regard, it should be pointed out that the Council's position as regards the vessels *Shahid Mahdavi* and *Shahid Bagheri*, according to which it is apparent from exhibits 8 to 10 in the evidence file WK 12325/2024 DCL1 that those vessels were owned

by the applicant until they were transferred to the IRGCN, differs from the allegation set out in the statement of reasons for the November 2024 listing acts.

87 The French-language version of the statement of reasons for the November 2024 listing acts clearly states that '*l'IRGCN transforme des porte-conteneurs appartenant à [la requérante] en transporteurs de drones*', that is to say, container ships which are the property of the applicant. That is, moreover, borne out by the other language versions of those acts. Thus, the English-language version of that statement of reasons states that 'the EU-listed Iran's Islamic Revolutionary Guard Corps Navy (IRGCN) converts container ships owned by IRISL into drone carriers', the Italian-language version of that statement of reasons states that '*Islamic Revolutionary Guard Corps Navy (IRGCN), inserita nell'elenco dell'UE, converte le navi portacontainer di proprietà dell'IRISL in navi porta-droni*', and the German-language version of that statement of reasons indicates that '*die von der EU mit Sanktionen belegte Islamic Revolutionary Guard Corps Navy (IRGCN) wandelt Containerschiffe im Eigentum der IRISL in Drohnenträger um.*'

88 Nevertheless, in accordance with the case-law, the legality of contested acts may be assessed only on the basis of the elements of fact and law on which they were adopted. The General Court cannot, therefore, substitute the grounds on which those acts are based (see, to that effect, judgment of 12 November 2013, *North Drilling v Council*, T-552/12, not published, EU:T:2013:590, paragraph 25).

89 It must be stated that to allow the Council to put forward new individual grounds distinct from those set out in the November 2024 listing acts in order to remedy the absence or inaccuracy of facts in the grounds of those acts would infringe the applicant's rights of defence and its right to effective judicial protection. Thus, since the applicant did not receive any communication about the new grounds in a timely manner, first, it would be deprived of the possibility effectively to present its views on those grounds in the context of the administrative procedure. Second, the applicant would not be in a position to assess the merits of the listing of its name or the appropriateness of bringing an action. The principle of equality of the parties before the EU Courts would thus be undermined (see, to that effect, judgment of 12 November 2013, *North Drilling v Council*, T-552/12, not published, EU:T:2013:590, paragraph 26).

90 It follows that, for that reason alone, the Council's argument that the applicant retained ownership of the vessels *Shahid Mahdavi* and *Shahid Bagheri* until they were transferred to the IRGCN must be rejected.

91 In any event, it must be noted that the documents contained in the evidence file WK 12325/2024 DCL1 do not support the allegation at issue before the Court.

92 Thus, exhibit 8 in the evidence file WK 12325/2024 DCL1 is an article, published on 4 January 2023, from which it is apparent that two commercial container ships, namely the vessels *Perarin* and *Sarvin*, were about to be converted by the IRGC into drone carriers. That article also contains a photograph of a vessel presented as the future drone carrier *Shahid Mahdavi*, which is claimed to be the former vessel *Perarin* or its sister ship *Sarvin*. Nevertheless, the article in question does not contain any information as to the identity of the owner of the vessels *Perarin* and *Sarvin* until their transfer to the IRGCN.

93 Exhibit 11 in the evidence file WK 12325/2024 DCL1 is an article which appeared on 21 August 2024 on the website Military Watch Magazine, presenting the vessel *Shahid Bagheri* as the first Iranian aircraft carrier, converted from a container ship previously called the *Perarin*, and referring to the fact that a second container ship was to be converted into an aircraft carrier and that it would be called the *Shahid Mahdavi*.

Nevertheless, that document also does not contain any information as to the identity of the owner of the vessels *Perarin* and *Sarvin* until their transfer to the IRGCN.

- 94 Exhibit 12 in the evidence file WK 12325/2024 DCL1 is an article which appeared on 21 August 2024 on the website Foundation for Defense of Democracies, referring to a ceremony held to mark the addition to the IRGCN of two vessels, namely the *Shahid Shirazi* and the *Shahid Bagheri*. Nevertheless, apart from the fact that that article does not state that those vessels were converted from container ships owned or previously owned by the applicant, its description of the vessels in question does not correspond to that of drone carriers or aircraft carriers. The vessels *Shahid Shirazi* and *Shahid Bagheri* are described as patrol ships designed as catamarans with a futuristic look and two independent hulls.
- 95 Exhibit 14 in the evidence file WK 12325/2024 DCL1 is an article which appeared on 18 July 2024 on the website Lowy Institute, describing the additional capabilities which the vessel *Shahid Mahdavi* and its sister ship *Shahid Bagheri* give to the IRGCN. That article states that those vessels were converted from container ships, but does not contain any information as to those vessels or the identity of their owner.
- 96 Exhibit 17 in the evidence file WK 12325/2024 DCL1 is a post from the account SprinterFactory, which appeared on 4 May 2024 on the social network X, stating that the Islamic Republic of Iran presented the new drone carrier of the IRGCN, namely the vessel *Shahid Bahman Bagheri*, which had been converted from a container ship previously known as the vessel *Sarvin*. Nevertheless, that article also does not contain any information as to the identity of the owner of that vessel until its transfer to the IRGCN.
- 97 It is true that exhibit 10 in the evidence file WK 12325/2024 DCL1, which is an article that appeared on 14 February 2024 on the website Malta ship photos & Action photos, refers to the fact that a container ship was renamed the *Perarin* by the applicant in 2012 and that that vessel was again renamed, as the *Shahid Mahdavi*, in 2022, and was then drydocked at a shipyard close to Bandar Abbas (Iran) to be converted into an 'expeditionary base'. Nevertheless, that article does not specify whether the vessel in question, namely the *Perarin*, still belonged to the applicant when it was transferred to the IRGCN.
- 98 Similarly, although exhibit 9 in the evidence file WK 12325/2024 DCL1 states, inter alia, that the IRGCN was in the process of converting two container ships belonging to the applicant's group to make its first aircraft carriers, called the *Shahid Mahdavi* and the *Shahid Bagheri*, that assertion appears to be implausible, since that implies that the applicant remained the owner of those vessels after their transfer to the IRGCN, which the Council itself does not maintain.
- 99 Furthermore, the content of exhibit 9 in the evidence file WK 12325/2024 DCL1 is directly contradicted by the notarial deeds produced in Annex A.13 to the application, which are not disputed by the Council, and from which it is clear that, on 16 February 2022, an Iranian company, identified by the Council as being a subsidiary of the applicant, sold to another Iranian company two container ships, namely the *Perarin*, bearing IMO number 9209350, and the *Sarvin*, bearing IMO number 9209348.
- 100 Moreover, the Council has not referred to any item in the evidence file WK 12325/2024 DCL1 in support of the allegation that the applicant retained control, through front companies, over the vessels *Shahid Mahdavi* and *Shahid Bagheri* until they were transferred to the IRGCN. It contends, on the contrary, that it was for the applicant to demonstrate that it had no connection with the buyers of the vessels in question. Nevertheless, in accordance with the case-law referred to in paragraph 72 above, it is

indeed for the Council to establish that the reasons relied on against the applicant are well founded, and not the task of the applicant to adduce evidence of the negative, that those reasons are not well founded.

101 Furthermore, as regards the Council's argument that exhibit 8 in the evidence file WK 12325/2024 DCL1 refers to the conversion of another Panamax container ship owned by the applicant, it is not clear from the article in question that the vessel to which reference is made is different from the *Shahid Mahdavi* or the *Shahid Bagheri*. In any event, since, first, the Panamax container ship referred to in that article is not identified and, second, that information is not supported by any other item in the evidence file, that item cannot enable the Council to substantiate the allegation that '[the IRGCN] converts container ships owned by [the applicant] into drone carriers.'

102 In the light of the foregoing considerations, it must be stated that the Council has not substantiated to the requisite legal standard the allegation that '[the IRGCN] converts container ships owned by [the applicant] into drone carriers.'

(2) *The allegation that, 'for years, [the applicant's] ships have been involved in shipping military related cargo'*

103 The applicant submits that several documents contained in the evidence file WK 12325/2024 DCL1 are imprecise or outdated and fail to establish any involvement on its part in shipping military-related cargo.

104 Thus, the applicant states, first of all, that exhibit 1 in the evidence file WK 12325/2024 DCL1 makes broad allegations that it 'allegedly' transported military-related cargo on behalf of Iran's Ministry of Defence and Armed Forces Logistics and other Iranian military entities. Nevertheless, it states that the article does not cite any specific instance of such conduct, nor does it establish any involvement on its part in the transport of military-related items. Next, it states that exhibits 2 and 3 in that evidence file cite the detention of the vessel *Shahr E Kord* on suspicion of carrying weapons. Nevertheless, it submits that no illegal cargo was found and that the vessel was released after investigation, as is apparent from the port clearance certificate which it produced. In addition, the applicant submits that exhibit 2 in that evidence file is not clear as to the conduct of which it is accused, since that document mentions without any certainty that weapons were 'loaded or unloaded'. Lastly, according to the applicant, exhibit 6 in that evidence file is just a brief statement by the media *Maritime Informed*, claiming that the applicant has facilitated shipments for Iranian defence entities, but that item of evidence does not provide any supporting details, such as the name of the vessel allegedly used or the period or manner in which it was directly involved in missile-related transfers.

105 Furthermore, the applicant claims that, even if vessels owned by it were ever used to transport cargo that included military-related items, the applicable maritime regulations do not impose an obligation on commercial shipping companies to inspect sealed cargo. Hence, in its view, it is clear from the rules laid down in the Protocol amending the International Convention for the unification of certain rules of law relating to bills of lading, signed in Brussels on 23 February 1968 (the Hague-Visby Rules), the United Nations Convention on the Carriage of Goods by Sea (the Hamburg Rules) and the United Nations Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea (the Rotterdam Rules), which govern global shipping practices, that the duty to verify and declare the content of sealed cargo lies with the shipper, which is the sender of the goods, and not with the carrier, since the carrier is unable to exercise any control over the content of the cargo.

106 The Council, supported by the Commission, disputes the applicant's arguments.

- 107 First of all, the Council submits that exhibits 4, 8, 9, 13, 15 and 16 in the evidence file WK 12325/2024 DCL1 confirm that weapons are shipped, including on board of civilian Iranian ships, from Iran to armed groups and entities undermining peace and security in the Middle East and the Red Sea region, such as the Hezbollah and the Houthis. The Council acknowledges that exhibits 4, 15 and 16 in that evidence file do not expressly refer to the applicant, but submits that those exhibits are nevertheless relevant in so far as they show, as part of the broader context, that Iranian weapons are shipped to support such armed groups and entities and that the Islamic Republic of Iran provides military support to the Russian Federation.
- 108 Next, the Council submits that exhibits 1, 2 and 6 in the evidence file WK 12325/2024 DCL1 confirm that the applicant has been involved, for several years, in shipping military-related cargo, including missiles shipped to Middle Eastern countries, in particular through the activities of the vessel *Shahr E Kord*.
- 109 In addition, the Council submits that exhibit 7 in the evidence file WK 12325/2024 DCL1 refers to information provided by a Member State of the United Nations to the panel of experts set up in accordance with United Nations Security Council Resolution 1874 (2009), according to which vessels belonging to the applicant were used to ship to Iran notably valves, electronics and measuring equipment suitable for use in ground testing of liquid-propellant ballistic missiles and space launch vehicles.
- 110 Moreover, according to the Council, the fact that exhibits 1, 2 and 7 in the evidence file WK 12325/2024 DCL1 were published several years before the adoption of the contested acts does not mean that they have become irrelevant. In that regard, it submits that it cannot be ruled out that such evidence may be taken into account in order to establish, in the light of the listing criterion concerned, continuity between the applicant's previous situation and its current situation.
- 111 Lastly, in response to the applicant's argument that it had no legal responsibility for the control over the content of the containers loaded on its vessels, with the result that it could not be criticised for having knowingly transported military-related cargo, the Council submits that, having regard to the statement of reasons for the November 2024 listing acts, it was not required to adduce evidence that the applicant was aware of those operations.
- 112 It must be assessed whether the documents relied on by the Council are capable of substantiating the allegation that, 'for years, [the applicant's] ships have been involved in shipping military related cargo'.
- 113 In that regard, first, it must be noted that exhibit 1 in the evidence file WK 12325/2024 DCL1 states:

'Iran's national maritime carrier has transported prohibited military-related cargo and facilitated shipments on behalf of and destined for Iran's Ministry of [Defence] and Armed Forces Logistics (MODAFL) and MODAFL subordinates, including the Aerospace Industries Organization (AIO), Defense Industries Organization (DIO), and Shahid [Hemmat] Industrial Group (SHIG).

[It has] provided logistical services to MODAFL and to its subordinate entities for the transport of military-related cargo; has facilitated the transport of cargo for [United Nations]- and [United States]-sanctioned entities, falsified documents, used generic language to evade shipping authorities, and employed cover entities to conduct official business; has altered bills of lading by changing the consignee of a shipment after a shipment has left the port of origin, to conceal involvement in proliferation-sensitive activities; has sought to evade sanctions by transferring nominal ownership of vessels

to Starry Shine and other co-located entities (including Top Glacier Company Limited, Top Prestige Trading Limited, and Ideal Success Investments Limited) while continuing to manage and operate the ships.

[It has] transported items controlled by the Nuclear Suppliers Group (NSG); has allegedly transported hydraulic press machinery and copper discs, which are used in explosively formed penetrators (EFPs); has allegedly shipped military-related items to Hezbollah; has allegedly shipped military-related items on behalf of the Islamic Revolutionary Guard Corps (IRGC) and the IRGC Quds Force.

In November 2009, [it] allegedly transported a shipment of munitions, including Katyusha 107 mm rockets, Grad 20 122 mm rockets, and rocket fuses, on behalf of the IRGC Quds Force that was destined for Beirut, Lebanon and Latakia, Syria but was seized by Israel; in October 2009, [it] allegedly facilitated a shipment of small arms ammunition manufactured by DIO and destined for Syria that was interdicted by the U.S. Navy in the Gulf of Suez; in January 2009, [it] allegedly transported munitions from DIO destined for the Gaza Strip that was seized by Egypt.

...

In 2008, [it] allegedly shipped chemical weapons precursors from China; in 2007, [it] transported a shipment of a precursor chemical destined for use at Parchin Chemical Industries in Iran's missile program.'

114 It must be stated that the passages of exhibit 1 in the evidence file WK 12325/2024 DCL1 cited in paragraph 113 above contain a series of assertions concerning the applicant's involvement in shipping military-related cargo. However, it must be noted that those passages do not contain any information concerning the identity of the applicant's vessels that were allegedly involved in the transportation of such cargo. Moreover, many of the allegations do not contain any indication of the time period, and those which contain such an indication refer to facts dating from the years 2007 to 2009, that is to say, 15 years before the adoption of the November 2024 listing acts, and are systematically introduced by the expression 'allegedly', which does not suggest that the facts in question were established, but rather that a context existed in which the applicant was the subject of accusations.

115 Second, it must be noted that exhibit 6 in the evidence file WK 12325/2024 DCL1 merely reproduces verbatim the wording of the first passage of exhibit 1 in that evidence file, and therefore does not add any additional probative value to it.

116 Third, it should be noted that exhibit 2 in the evidence file WK 12325/2024 DCL1 states the following:

'An Iranian cargo ship that visited Syria has been detained in a Libyan port on suspicion of smuggling weapons. A cargo ship belonging to [IRISL] was detained on April 26 in the port of [Misrata] on suspicion of transporting weapons that were unloaded or loaded during its route in the Syrian port of Latakia. The ship [*Shahr E Kord* travelled] along a route that included [that port], from where it continued its journey on April 18 along the coast of [Türkiye] and Bulgaria and returned to Libya's [Misrata]. The ship was suspected of following a very interesting route known among smugglers.'

117 It is clear from exhibit 2 in the evidence file WK 12325/2024 DCL1 that the vessel *Shahr E Kord*, owned by the applicant, was detained by the Libyan customs authorities on 26 April 2019 for an inspection in the port of Misrata (Libya) on the ground that it was suspected of transporting weapons that had been loaded or unloaded on its route

to the Syrian port of Latakia. However, it is not clear from that document that the suspicions in question were confirmed. Moreover, it is clear from the customs clearance certificate issued by the Libyan customs authorities and produced by the applicant that the vessel in question was inspected by those authorities and authorised to sail again. It cannot therefore be inferred from that document that that vessel was involved in the transportation of military-related cargo.

118 Fourth, it must be noted that exhibit 7 in the evidence file WK 12325/2024 DCL1 is an extract from a report of the panel of experts set up in accordance with United Nations Security Council Resolution 1874 (2009) concerning a request for information addressed to the Islamic Republic of Iran by that panel in relation to information received by it concerning the involvement of the KOMID and the SHIG in shipments to the Islamic Republic of Iran, using vessels owned by the applicant, of materials related to the cooperation between the Islamic Republic of Iran and the Democratic People's Republic of Korea in the field of ballistic missiles. It is clear from that extract that, in response to that request for information, the Islamic Republic of Iran stated that false information and fabricated data may have been used in the investigation and the analyses of the expert panel. Although that document refers to sufficiently serious suspicions for the expert panel to make a request for information to the Islamic Republic of Iran, in the absence of any identification of the vessels allegedly concerned and in the absence of any reference to the time period, or of any other detail, that document nevertheless does not appear sufficient to support the allegation that, 'for years, [the applicant's] ships have been involved in shipping military related cargo'.

119 Fifth, it must be borne in mind that the expression 'for years' used in the allegation that, 'for years, [the applicant's] ships have been involved in shipping military related cargo', implies a certain continuity of the conduct of which the applicant is accused. In that regard, it is important to point out that, in accordance with the case-law, the Council may take into account, when assessing whether a person satisfies a listing criterion, information or evidence relating to circumstances predating the adoption of the act imposing or maintaining restrictive measures, provided that that information or evidence substantiates the grounds supporting that act and contributes to establishing that, despite the passage of time and taking into account all relevant circumstances specific to each case, the person concerned satisfies the listing criterion at issue. In particular, it cannot be ruled out that such information and evidence may be taken into account in order to establish, in the light of the listing criterion concerned, continuity between, on the one hand, the previous situation of the person concerned and, on the other hand, that person's current situation (see judgment of 13 March 2025, *Shuvalov v Council*, C-271/24 P, EU:C:2025:180, paragraph 40 and the case-law cited). Nevertheless, in the present case, it must be noted that, although exhibits 1 and 6 in the evidence file WK 12325/2024 DCL1 refer to shipments of military-related cargo by the applicant's vessels which allegedly took place in 2007, 2008 and 2009, and exhibit 2 in that evidence file refers to facts of the same nature which took place in April 2019, none of those documents relates to the applicant's situation at the time when the November 2024 listing acts were adopted.

120 In the light of the foregoing considerations, it should be stated that the Council has not substantiated to the requisite legal standard the allegation that, 'for years, [the applicant's] ships have been involved in shipping military related cargo'.

(b) ***Error of assessment of the facts in the November 2024 listing acts***

121 The applicant claims that the Council made an error of assessment in finding that the allegations set out in the statement of reasons for the November 2024 listing acts were

sufficient to consider that the criterion laid down in Article 3(1)(c) of Decision 2023/1532 was satisfied.

- 122 The applicant claims in that regard that, although the notion of ‘association’ is not defined either in Decision 2023/1532 or in Regulation 2023/1529, it has been interpreted by the EU Courts. According to the applicant, it is apparent from the case-law that demonstrating the existence of association in the context of restrictive measures requires the establishment of capital or economic links or the existence of common interests between the associated persons or entities, as well as a risk of circumvention of the restrictive measures.
- 123 Nevertheless, according to the applicant, in the present case, the Council has not established any of the elements necessary to find that there is an association. The applicant submits that it has no capital or economic links with the IRGCN and that, in so far as the Council has not adduced evidence for the allegations that, first, ‘[the IRGCN] converts container ships owned by [the applicant] into drone carriers’, and, second, ‘for years, [the applicant’s] ships have been involved in shipping military related cargo’, it has not established the existence of a common interest between the IRGCN and the applicant. Furthermore, nor has the Council established the existence of a risk of circumvention of the restrictive measures adopted against the IRGCN.
- 124 Moreover, the applicant submits that, in view of their nature, content or authors, the documents in the evidence file WK 12325/2024 DCL1 are not such as to establish an ‘association’, within the meaning of Article 3(1)(c) of Decision 2023/1532, between the applicant and the IRGCN.
- 125 The Council, supported by the Commission, disputes the applicant’s line of argument.
- 126 The Council submits that it does not follow from the case-law that demonstrating the existence of association in the field of restrictive measures systematically requires the establishment of capital or economic links between the associated persons or entities. In its view, it follows from the case-law that it is not required to establish specifically a risk of circumvention of restrictive measures in order to justify recourse to the association criterion. The Council submits that the applicant’s line of argument in that regard should therefore be rejected as ineffective.
- 127 According to the Council, the IRGCN and the applicant are linked by common interests in so far as, first, the applicant has been involved for several years in shipping military-related cargo, including missiles shipped to the Middle East and, second, vessels previously owned by the applicant were converted, or were to be converted, by the IRGCN into a mobile military logistics platform, aircraft carriers and drone carriers, including the vessel *Sarvin*, renamed the *Shahid Bagheri*, and the vessel *Perarin*, renamed the *Shahid Mahdavi*.
- 128 Furthermore, the Council disputes the arguments put forward by the applicant concerning the content, nature and reliability of the documents in the evidence file WK 12325/2024 DCL1.
- 129 It must be borne in mind that, in accordance with Article 3(1)(c) of Decision 2023/1532, all funds and economic resources belonging to, or owned, held or controlled by natural or legal persons, entities or bodies associated with natural or legal persons, entities or bodies referred to in Article 3(1)(a) or (b) of that decision are to be frozen.
- 130 The concept of ‘associated’ natural or legal persons, entities or bodies is not defined in Decision 2023/1532 or in Regulation 2023/1529.

- 131 In that regard, it must be pointed out that, while the association criterion is often used in Council acts, it is not, as such, defined and its meaning depends on the context and circumstances of the case (see, to that effect, judgments of 28 July 2016, *Tomana and Others v Council and Commission*, C-330/15 P, not published, EU:C:2016:601, paragraph 48; of 4 September 2015, *NIOC and Others v Council*, T-577/12, not published, EU:T:2015:596, paragraph 114; and of 21 July 2016, *Bredenkamp and Others v Council and Commission*, T-66/14, EU:T:2016:430, paragraphs 35 to 37). However, it may be accepted that that criterion concerns persons who are generally bound by common interests (judgment of 8 March 2023, *Prigozhina v Council*, T-212/22, not published, EU:T:2023:104, paragraph 93).
- 132 In that regard, it should be noted that, although the existence of capital or economic relationships is capable of demonstrating common interests (see, to that effect, judgment of 20 March 2024, *Mazepin v Council*, T-743/22, not published, EU:T:2024:180, paragraph 91), the absence of such links does not rule out, as a matter of principle, the existence of other common interests.
- 133 Furthermore, the applicant cannot claim that the Council is required to establish specifically a risk of circumvention of the restrictive measures in order to justify reliance on the association criterion. That criterion is in itself based on the finding that there is a not insignificant risk of circumvention of the restrictive measures (see, to that effect, judgment of 22 September 2016, *NIOC and Others v Council*, C-595/15 P, not published, EU:C:2016:721, paragraphs 89 and 90). That criterion makes it possible to guarantee the efficiency and effectiveness of the restrictive measures taken against the persons included on the lists at issue by preventing those persons from circumventing the measures adopted against them. Therefore, that criterion contributes to the attainment of the objectives laid down in Article 21(2)(c) TEU, such as the preservation of peace, the prevention of conflicts and the strengthening of international security, in accordance with the purposes and principles of the Charter of the United Nations, signed in San Francisco on 26 June 1945.
- 134 In the present case, it is clear from the statement of reasons for the November 2024 listing acts that the association and, therefore, the existence of common interests between the IRGCN and the applicant are based solely on the allegations that, first, ‘for years, [the applicant’s] ships have been involved in shipping military related cargo’ and, second, ‘[the IRGCN] converts container ships owned by [the applicant] into drone carriers.’
- 135 Nevertheless, it is clear from paragraphs 85 to 100 and 112 to 120 above that those allegations are not supported to the requisite legal standard by the documents in the evidence file WK 12325/2024 DCL1.
- 136 Therefore, in the absence of other evidence capable of demonstrating the existence of common interests between the IRGCN and the applicant, it should be stated that the Council made an error of assessment in finding that the IRGCN and the applicant were ‘associated’ within the meaning of Article 3(1)(c) of Decision 2023/1532.
- 137 It follows that the first and second pleas in law are well founded in so far as they concern the November 2024 listing acts.

2. *Whether the maintenance of the applicant’s name on the lists at issue by the July 2025 maintaining acts was well founded*

- 138 The applicant claims that the Council made an error of assessment by maintaining its name on the lists at issue under the criteria laid down in Article 3(1)(b) and (c) of Decision 2023/1532, in so far as the documents contained in the evidence files WK

5850/2025 and WK 8622/2025 do not substantiate to the requisite legal standard the allegations set out in the statement of reasons for the July 2025 maintaining acts.

- 139 First of all, the applicant disputes the accuracy of the facts referred to in the documents in the evidence files WK 5850/2025 and WK 8622/2025, relating to the transport of sodium perchlorate between China and Iran by the vessels *Golbon* and *Jairan*, and to the transfers of weapons to Russia and Syria by the vessels *Shiba*, *Artam*, *Artenos*, *Azargoun*, *Daisy* and *Kashan*. In addition, it submits that, even assuming that those facts were established, they would not be such as to justify maintaining its name on the lists at issue under the criterion laid down in Article 3(1)(b) of Decision 2023/1532.
- 140 Next, the applicant submits that, since, as it argued in the context of the challenge of the November 2024 listing acts, it was no longer the owner of the vessels *Perarin* and *Sarvin* when they were transferred to the IRGCN, the Council failed to establish a current association between it and the IRGCN such as to justify maintaining its name on the lists at issue under the criterion laid down in Article 3(1)(c) of Decision 2023/1532.
- 141 Lastly, the applicant submits that, since the Council has failed to establish that sodium perchlorate was in fact transported between China and Iran by the vessels *Golbon* and *Jairan*, that the activity of those vessels could be attributed to it, or that the sodium perchlorate at issue had a military purpose, the Council has also failed to establish an association between the applicant and the IRGC/SSJO such as to justify maintaining the applicant's name on the lists at issue under the criterion laid down in Article 3(1)(c) of Decision 2023/1532.
- 142 The Council, supported by the Commission, disputes the applicant's line of argument.
- 143 It must be recalled that, as stated in paragraph 54 above, it is clear from the statement of reasons for the July 2025 maintaining acts that the Council considered that maintaining the applicant's name on the lists at issue was justified under both the criterion laid down in Article 3(1)(b)(i) and (ii) of Decision 2023/1532 and the criterion laid down in Article 3(1)(c) of that decision, by the fact that, 'for years, ships belonging to or managed by [the applicant] or its affiliated companies, have been implicated in shipping military related cargo and other activities aimed at providing support to [the Russian Federation] in support of its war of aggression against Ukraine and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region, in particular in relation with [the IRGC] and some of its branches, notably the (EU-listed) [IRGCN] and the (EU-listed) [IRGC/SSJO].'
- 144 It must also be borne in mind that, as stated in paragraph 55 above, the Council found that maintaining the applicant's name on the lists at issue was justified, under the criterion laid down in Article 3(1)(c) of Decision 2023/1532, by the fact that 'the (EU-listed) [IRGCN] converts container ships owned or previously owned by [the applicant's] Group into drone carriers.'
- 145 In order to justify maintaining the applicant's name on the lists at issue by the July 2025 maintaining acts, the Council provided the documents contained, in addition to those in the evidence file WK 12325/2024 DCL1, in the evidence files WK 5850/2025 and WK 8622/2025.
- 146 The evidence file WK 5850/2025 contains the following documents:
- an article which appeared on 14 February 2025 on the website Iran International, accessed on 15 April 2025, concerning the transportation by the vessels *Jairan* and

Golbon, identified as being operated by the applicant, of sodium perchlorate from China to Iran (exhibit 1);

- two extracts from the database of the website Equasis, accessed on 7 May 2025, identifying the applicant as the International Safety Manager (ISM) of the vessels *Golbon* and *Jairan* (exhibits 2 and 3);
- a report of the Foundation for Defense of Democracies of 25 February 2025 (exhibit 4);
- a message posted online on 3 January 2025 on the social network X by the account of a member of the Nuclear Policy Program at the think tank Carnegie Endowment for International Peace, accompanied by a photograph concerning the probably first concrete evidence of the transfer of Iranian UAVs and missiles to the Russian Federation (exhibit 5);
- a press article which appeared on 1 April 2025 in the media *Daraj*, accessed on 15 April 2025, reporting on a journalistic investigation into the suspicious practices of several Iranian container ships (exhibit 6);
- four extracts from the database accessible from the website Equasis, accessed on 30 April 2025, identifying the applicant as being linked to the vessels *Shiba*, *Artenos*, *Daisy* and *Kashan* (exhibits 7 to 10);
- an article which appeared on 24 March 2025 on the website Lieber Institute for Law & Warfare at West Point, accessed on 15 April 2025, providing details on the role played by the vessels *Saviz* and *Beshad*, identified in the article as belonging to the applicant, in the transfer of weapons and in the provision of intelligence and logistical support to the Houthis since 2016 (exhibit 11);
- an extract from the website Shipvault, accessed on 24 April 2025, identifying the vessel *Mensar*, previously known as the *Beshad*, as having belonged, at least until 2024, to HDS Line and, previously, to the applicant (exhibit 12);
- an article which appeared on 30 March 2023 on the website of the newspaper *Al-Masharek*, accessed on 16 April 2025, reporting on the conversion by the IRGCN of two container ships previously owned by the applicant into aircraft carriers, namely the *Shahid Bagheri* and the *Shahid Mahdavi* (exhibit 13);
- two extracts from the database accessible from the website Equasis, accessed on 30 April 2025, confirming that the container ships *Shahid Bagheri* and *Shahid Mahdavi* had belonged to the applicant (exhibits 14 and 15);
- an article which appeared on 24 January 2025 on the website BAIRD Maritime, reporting on the involvement of the vessels *Golbon* and *Jairan* in the transfer of sodium perchlorate from China to Iran (exhibit 16);
- an article which appeared on 17 March 2025 on the website Marine Insight, accessed on 16 April 2025, reporting on the involvement of the vessel *Jairan* in the transfer of sodium perchlorate from China to Iran and identifying that vessel as belonging to the applicant (exhibit 17);
- an extract from an article which appeared on 10 December 2018 on the website Iran Watch, accessed on 8 May 2025, identifying Soroush Sarzamin Asatir Ship Management Company, the manager of the vessels *Jairan* and *Golbon*, as a subsidiary of the applicant (exhibit 18).

147 The evidence file WK 8622/2025 contains the following documents:

- an article which appeared on 30 March 2025 on the website The Maritime Executive, accessed on 19 June 2025, referring to a vessel bearing a strong resemblance to the vessel *Jairan*, identified as being owned by the applicant and as being involved in the transfer of sodium perchlorate from China to Iran; that article also explains that sodium perchlorate is the chemical precursor used to produce ammonium perchlorate, which is then used in the production of missile propellants (exhibit 1);
- an article which appeared on 23 December 2022 on the website Defense Express, accessed on 19 June 2025, referring to the increasing investment and cooperation between the Islamic Republic of Iran and the Russian Federation in the creation of a logistics route allowing the speedy delivery of goods between the two countries, and according to which the applicant made substantial investments in order to increase cargo shipments to the Solyanka river port in Astrakhan, Russia (exhibit 2);
- an article which appeared on 28 March 2025 on the website Iran International, accessed on 19 June 2025, referring to the docking in the port of Antwerp (Belgium) of six Iranian vessels, namely the *Shiba*, the *Artam*, the *Artenos*, the *Azargoun*, the *Daisy* and the *Kashan*, suspected of being involved in supporting the Houthis and in transferring weapons to Syria and Russia (exhibit 3);
- an article which appeared on 12 January 2025 on the website Star Concord, accessed on 19 June 2025, presenting the vessels *Beshad* and *Saviz* as formally controlled by the applicant but in practice operated by the IRGCN; that article states that those vessels were involved in the collection and dissemination of intelligence to the Houthis between 2016 and 2024, and also identifies the container ship *Shiba* as owned by the applicant (exhibit 4);
- an article which appeared on 21 April 2021 on the website Center for Iranian Studies, accessed on 19 June 2025, reporting on the creation and development of the applicant and its practice of setting up numerous subsidiaries worldwide in order to circumvent the restrictive measures adopted against it (exhibit 5);
- an extract dated 10 December 2018 from the website Iran Watch, accessed on 19 June 2025, identifying HDS Line as acting on behalf of the applicant (exhibit 6);
- an extract from the website Vessel Tracker, accessed on 19 June 2025, showing several photographs of the container ship *Jairan*, on which the applicant's name is visible (exhibit 7);
- an extract from the website Vessel Tracker, accessed on 19 June 2025, identifying the vessel *Jairan* as bearing IMO number 9167291 and as being linked to the applicant (exhibit 8);
- an article which appeared on 11 March 2025 on the website Tehran Times, accessed on 19 June 2025, stating that, despite the adoption of sanctions against it, the applicant continues to increase the volume of container transport, in particular due to increased demand by the Russian Federation (exhibit 9);
- extracts from the databases of the websites Vessel Tracker and Baltic Shipping, providing real-time data on vessels, featuring photographs of the vessel *Golbon*, bearing IMO number 9283033, which carries the applicant's name (exhibits 10 and 11);

- an extract from the website Magic Port, accessed on 20 June 2025, providing real-time data on the location and ownership of the vessels, identifying HDS Line as owning seven vessels, four of which have as their commercial manager Rahbaran Omid Darya Ship Management Company (exhibit 12);
- a report by Lloyd’s List Intelligence, providing information on the fleet and the ownership of Mosakhar Darya Shipping Company, and also identifying the applicant as the ultimate owner of Mosakhar Darya Shipping Company, of HDASCO, of HDS Line and of Oghiaanous Khoroushan Shipping Lines Company of Kish (exhibit 13);
- a report by Lloyd’s List Intelligence, providing information on the fleet and the ownership of Oghiaanous Khoroushan Shipping Lines Company of Kish, which operates the vessels *Shiba* and *Golbon*; that report identifies the applicant as the ultimate owner of a certain number of companies, in particular of Oghiaanous Khoroushan Shipping Lines Company of Kish, of Mosakhar Darya Shipping Company, of HDASCO and of HDS Line, which itself is linked to Rahbaran Omid Darya Ship Management Company (exhibit 14).

148 It must therefore be ascertained whether the documents referred to in paragraphs 146 and 147 above support to the requisite legal standard the grounds relied on by the Council to justify maintaining the applicant’s name on the lists at issue.

149 In that regard, it must be recalled that, in accordance with the case-law, in view of the preventive nature of decisions adopting restrictive measures, if the EU Courts consider that, at the very least, one of the reasons mentioned is sufficiently detailed and specific, that it is substantiated and that it constitutes in itself sufficient basis to support that decision, the fact that the same cannot be said of other such reasons cannot justify the annulment of that decision (see judgment of 28 November 2013, *Council v Manufacturing Support & Procurement Kala Naft*, C-348/12 P, EU:C:2013:776, paragraph 72 and the case-law cited).

150 In the light of those considerations, it is appropriate to examine, first of all, the applicant’s line of argument that the Council made an error of assessment in maintaining its name on the lists at issue under the criterion laid down in Article 3(1) (c) of Decision 2023/1532 due to the grounds relied on by the Council in that regard not being substantiated to the requisite legal standard.

(a) *The conversion by the IRGCN of ‘container ships owned or previously owned by [the applicant’s] Group into drone carriers’*

151 The applicant submits that the vessels *Shahid Bagheri* and *Shahid Mahdavi* are not owned by it and that they were not transferred to the IRGCN, but to a third company, more than a year before the adoption of Decision 2023/1532. It claims that mere subsequent ownership by the IRGCN of those vessels is not sufficient to demonstrate an ‘association’ within the meaning of Article 3(1)(c) of Decision 2023/1532, since that does not establish an ongoing relationship between it and the IRGCN, and even less any ‘common interests’.

152 The applicant also states that the vessel *Makran*, referred to in exhibit 13 in the evidence file WK 5850/2025, is identified in the IMO registry as a naval vessel owned by the Iranian navy. According to the applicant, the Council has not established any connection between it and that vessel and there is nothing to suggest that it played a role in the conversion of that vessel or its deployment.

- 153 The Council contends that the applicant has not demonstrated that it had no links with the company to which the vessels *Perarin* and *Sarvin* were sold before being renamed the *Shahid Mahdavi* and the *Shahid Bagheri* and converted into drone carriers by the IRGCN.
- 154 The Council refers to exhibit 13 in the evidence file WK 5850/2025 and to exhibit 4 in the evidence file WK 8622/2025. In its view, those documents demonstrate the common interests between the applicant and the IRGCN. The Council states in that regard that the applicant's argument concerning the vessel *Makran* is irrelevant, since neither the Council nor exhibit 13 in the evidence file WK 5850/2025 attempt to make any link between the applicant and the IRGCN, as that document merely mentions that that vessel was converted by the IRGCN into a 'base ship'.
- 155 It must be noted at the outset that, as regards the conversion of the vessels *Shahid Mahdavi* and *Shahid Bagheri*, the Council merely repeats the line of argument put forward in support of the November 2024 listing acts, which has been rejected in paragraphs 91 to 102 above. Exhibit 13 in the evidence file WK 5850/2025, relied on by the Council, does not provide any additional information in that regard as compared with exhibit 9 in the evidence file WK 12325/2024 DCL1.
- 156 It must therefore be found that the Council has not substantiated to the requisite legal standard the allegation in the statement of reasons for the July 2025 maintaining acts that '[the IRGCN, whose name is included on the lists at issue,] converts container ships owned or previously owned by [the applicant's] Group into drone carriers.'

(b) *The transportation, by the vessels Golbon and Jairan, of sodium perchlorate, used in the production of solid propellants for missiles*

- 157 First, the applicant claims that the Council erred in imputing to it the conduct of other entities. It thus disputes the accuracy of exhibits 1, 4 and 16 in the evidence file WK 5850/2025 and argues that it is apparent from the extracts from the IMO database which it has submitted before the General Court that the vessels *Golbon* and *Jairan* do not belong to it, but are owned by, respectively, Oghiaanous Khoroushan Shipping Lines Company of Kish and Mosakhar Darya Shipping Company. The applicant also disputes the reliability and probative value of exhibits 1 and 7 to 11 in the evidence file WK 8622/2025. It also claims in that regard that, even if it were established that it controlled those two companies, that circumstance could not justify maintaining its name on the lists at issue, since the Court stated in the judgment of 9 September 2016, *Tri Ocean Energy v Council* (T-719/14, not published, EU:T:2016:458), that the adoption of a restrictive measure against a person must be based on that person's own conduct.
- 158 Second, the applicant submits that the Council relied on secondary and uncorroborated evidence to conclude that the vessels *Jairan* and *Golbon* were involved in transferring sodium perchlorate from China to Iran. According to the applicant, the second of those vessels was located in a shipyard in China and was not operative during the period referred to in the evidence file WK 5850/2025. Similarly, it claims that the first of those two vessels was under repair until 2 March 2025 and did not perform any shipments in January 2025. According to the applicant, those facts are confirmed by the documents lodged by it at the Registry of the General Court on 28 April 2026.
- 159 Third, the applicant claims that the Council has not provided sufficient evidence to prove that the sodium perchlorate allegedly transferred by the vessels *Jairan* and *Golbon* was used for military purposes and subsequently linked to the transfer of Iranian UAVs or missiles or related technologies or components thereof from Iran to Russia or to armed groups in the Middle East or the Red Sea region.

- 160 In addition, the applicant submits that exhibit 1 in the evidence file WK 5850/2025 does not establish any involvement of the IRGC/SSJO in the alleged shipment or that the applicant was involved or coordinated with the IRGC/SSJO in any way. The material presented does not satisfy the legal threshold required to establish a ‘common interest’ under Article 3(1)(c) of the Decision 2023/1532 and of Regulation 2023/1529.
- 161 The Council, supported by the Commission, disputes the applicant’s arguments.
- 162 It must be noted that the allegation contained in the second paragraph of the statement of reasons for the July 2025 maintaining acts, recalled in paragraph 143 above, is substantiated, inter alia, by exhibit 1 in the evidence file WK 5850/2025, which is an article that appeared on the website Iran International. That article identifies two vessels, namely the *Jairan* and the *Golbon*, as being operated by the applicant and involved in transferring sodium perchlorate from China to Iran, used in the production of solid propellants for missiles. It is stated that the second of those vessels left the port of Taicang in China on 21 January 2025 with a cargo of 1 000 tonnes of sodium perchlorate on behalf of the IRGC/SSJO and anchored outside the Iranian port of Bandar Abbas on 13 February 2025. It is also stated that the first of those vessels had yet to depart from China in order to transport sodium perchlorate to Iran. That article refers to an investigation by the newspaper *Financial Times* which, in January 2025, reported on that shipment of sodium perchlorate, highlighting the support of the People’s Republic of China for the military development of the Islamic Republic of Iran.
- 163 The information contained in exhibit 1 in the evidence file WK 5850/2025 is supported by three other press articles that appeared in different newspapers, namely exhibits 16 and 17 in that evidence file and exhibit 1 in the evidence file WK 8622/2025.
- 164 Thus, exhibit 16 in the evidence file WK 5850/2025, which is an article that appeared on 24 January 2025 on the website BAIRD Maritime, states that the vessel *Golbon* had left the port of Taicang with its cargo of sodium perchlorate, the main ingredient for solid propellants for missiles, intended for the IRGC, and that it had sailed on a three-week voyage without any port calls to the port of Bandar Abbas. It is stated that the vessel *Jairan* would depart in order to carry out the same journey with the same cargo at the beginning of February 2025.
- 165 Exhibit 17 in the evidence file WK 5850/2025, which is an article that appeared on 17 March 2025 on the website Marine Insight, states that the vessel *Jairan* was en route to Bandar Abbas and that it carried a shipment of sodium perchlorate, a chemical essential for missile fuel production. It is stated in that article that that vessel was owned by the applicant, that it had passed the Strait of Malacca on 16 March 2025 and that it was to arrive at Bandar Abbas, ahead of schedule, on 26 March 2025. It is also stated that the amount of sodium perchlorate transported by that vessel was sufficient to produce around 250 medium-range missiles, of the kind that had previously been used in attacks against the State of Israel, the Kingdom of Saudi Arabia, the United Arab Emirates, and Ukraine, and which had been supplied to the Russian Federation and to Iran’s Axis of Resistance allies in the Middle East. According to that article, reports suggested that the Islamic Republic of Iran could face a shortage of ammonium perchlorate, which could be explained by Israeli attacks on missile fuel production sites, which increased demand due to ongoing conflicts and exports to Russia. That situation led to the risky decision to ship sodium perchlorate despite potential interception threats.
- 166 Exhibit 1 in the evidence file WK 8622/2025, which is an article that appeared on 30 March 2025 on the website The Maritime Executive, states that a vessel bearing a strong resemblance to the vessel *Jairan*, the second of two vessels owned by the applicant carrying sodium perchlorate from China, was spotted in the anchorage of the

port of Bandar Abbas midway between the islands of Qeshm (Iran) and Hormuz (Iran) on 29 March 2025. It is also stated that the Iranian authorities did not appear to have taken any particular measures to safeguard that vessel and that it travelled with its automatic identification system switched on. That article states that, once sodium perchlorate was ashore, it would likely be shipped by train to Tehran (Iran) and then to a processing infrastructure to be converted into ammonium perchlorate. It is also stated that ammonium perchlorate forms the basis of the solid rocket fuel used to power most Iranian medium-range missiles and that recent imports of that product by the vessels *Golbon* and *Jairan* would be sufficient to fuel approximately 250 medium-range missiles of various types.

- 167 That information is also supported by exhibit 4 in the evidence file WK 5850/2025, which is a report of the Foundation for Defense of Democracies of 25 February 2025. That report identifies the vessels *Golbon* and *Jairan* as being operated by the applicant and as involved in the transfer of sodium perchlorate from China to Iran. According to that report, the buyer of that chemical precursor is the IRGC/SSJO. The report also refers to an investigation published by the news channel CNN, confirming the information contained therein as regards the involvement of the two vessels in the transfer, the link between the vessels and the applicant, and the fact that the buyer of the chemical precursor is the IRGC/SSJO. Lastly, the report refers to the long-standing support which the People's Republic of China has provided to the Islamic Republic of Iran in order to strengthen its arms industry.
- 168 Furthermore, it is important to point out that it is clear from exhibits 13 and 14 in the evidence file WK 8622/2025, namely the reports by Lloyd's List Intelligence, which are not disputed by the applicant, that the applicant is the ultimate owner of Mosakhar Darya Shipping Company and of Oghiaanous Khoroushan Shipping Lines Company of Kish, which are themselves identified in the extracts from the IMO database produced by the applicant as the owner of the vessel *Jairan* and the owner of the vessel *Golbon*, respectively.
- 169 In that regard, it is necessary to reject the applicant's argument based on paragraph 33 of the judgment of 9 September 2016, *Tri Ocean Energy v Council* (T-719/14, not published, EU:T:2016:458), according to which the Council cannot legitimately rely on an alleged relationship of control in order to dispense with the obligation to demonstrate that the alleged conduct was committed individually by the applicant and constitutes the basis for maintaining its name on the lists at issue.
- 170 In the case which gave rise to the judgment of 9 September 2016, *Tri Ocean Energy v Council* (T-719/14, not published, EU:T:2016:458), the Council, by referring to 'Tri Ocean Trading or Tri-Ocean Energy', even though they were two separate legal persons, had not identified the person subject to the restrictive measures with sufficient precision. It was in those circumstances that the General Court stated that the fact that Tri-Ocean Energy exerted control over its subsidiary Tri Ocean Trading did not exempt the Council from its obligation to identify individually the persons covered by the restrictive measures at issue and to specify the link between them and the actual and specific reasons justifying the listing of each of them. The General Court also clarified in the same judgment that the question of the identification of the applicant by the Council in its Implementing Decision 2014/678/CFSP of 26 September 2014 implementing Decision 2013/255/CFSP concerning restrictive measures against Syria (OJ 2014 L 283, p. 59) and in its Implementing Regulation (EU) No 1013/2014 of 26 September 2014 implementing Regulation (EU) No 36/2012 concerning restrictive measures in view of the situation in Syria (OJ 2014 L 283, p. 9) is separate from the question of the exercise of control by a parent company over its subsidiary.

- 171 In the present case, it is clear from the July 2025 maintaining acts that there is no doubt as to the identity of the person subject to the restrictive measures, since only the applicant's name is referred to in the column 'Names' in entry 20 of Part B, entitled 'Legal persons, entities and bodies', of the list annexed to those acts.
- 172 In so far as the applicant disputes the possibility for the Council to attribute to it, under the criterion set out in Article 3(1)(b) of Decision 2023/1532, the conduct of companies over which it exerts control, it must be noted that, in the case which gave rise to the judgment of 10 September 2019, *HTTS v Council* (C-123/18 P, EU:C:2019:694), which specifically concerned the interpretation of the words '... legal person, entity or body owned or controlled by [the applicant]' in Article 16(2)(d) of Council Regulation (EU) No 961/2010 of 25 October 2010 on restrictive measures against Iran and repealing Regulation (EC) No 423/2007 (OJ 2010 L 281, p. 1), the Court of Justice held that the concept of 'company owned or controlled' did not have, in the area of restrictive measures, the same meaning as it generally has in company law, where it serves to ascertain the commercial liability of a company which is legally subject to the control, as regards decision-making, of another commercial entity (judgment of 10 September 2019, *HTTS v Council*, C-123/18 P, EU:C:2019:694, paragraph 70).
- 173 According to the Court of Justice, the use by Regulation No 961/2010 of the terms 'owned' and 'controlled' reflects the need to enable the Council to adopt effective measures against all persons, entities or bodies linked to companies involved in nuclear proliferation. It follows that the ownership or control may be direct or indirect. If that link had to be established solely on the basis of the direct ownership or control of those persons, the measures could be circumvented by numerous contractual or de facto possibilities of control, possibilities which would confer on a company opportunities to exert influence over other entities that are as extensive as in the case of direct ownership or control (judgment of 10 September 2019, *HTTS v Council*, C-123/18 P, EU:C:2019:694, paragraph 69).
- 174 In the present case, in view of the applicant's status as the ultimate owner of Mosakhar Darya Shipping Company and of Oghiaanous Khoroushan Shipping Lines Company of Kish, as well as its practice of establishing a complex corporate structure in order to conceal the ultimate ownership and control of certain assets, which is apparent from exhibit 6 in the evidence file WK 5850/2025 and exhibit 5 in the evidence file WK 8622/2025, the Council did not commit an error of assessment in attributing to it the conduct of those companies.
- 175 It follows that exhibits 1, 4, 13, 14, 16 and 17 in the evidence file WK 5850/2025 and exhibit 1 in the evidence file WK 8622/2025 constitute a body of evidence that is sufficiently specific, precise and consistent to demonstrate that sodium perchlorate was transferred from China to Iran, by vessels owned or managed by the applicant or its subsidiaries.
- 176 That finding cannot be called into question by the applicant's argument that the vessels *Golbon* and *Jairan* were immobilised during the period in which the Council claims that the transfer of sodium perchlorate took place, as evidenced, according to it, by several documents.
- 177 It is true that on 28 April 2026 the applicant produced several documents relating to the situation of the vessels *Golbon* and *Jairan* at the beginning of 2025.
- 178 The production of the documents referred to in paragraph 177 above by way of exception after the close of the written part of the procedure, which was disputed by the Council and the Commission, was duly justified by the applicant, on the basis of Article 85(3) of the Rules of Procedure, by the very strong restrictions on global

internet access imposed by the Iranian authorities in the context of the military operations which affected that country, considerably impeding the applicant's ability to retrieve and transmit to its counsel the documents in question, including during the period following the adoption of the July 2025 maintaining acts.

179 Nevertheless, it must be stated that the documents referred to in paragraph 177 above are not such as to substantiate the applicant's argument that the vessels *Golbon* and *Jairan* were immobilised during the period in which the Council claims that the transfer of sodium perchlorate took place.

180 Thus, as regards the vessel *Golbon*, the documents referred to in paragraph 177 above, namely the logbooks of 20 and 21 January 2025, the pilot-away notice of 21 January 2025, and the arrival reports for Bandar Abbas Anchorage (13 February 2025) and Bandar Abbas Berth (20 February 2025) confirm that that vessel actually travelled from China to Iran from 21 January until 13 February 2025. In addition, the cargo manifest expressed as Harmonised System codes for the relevant voyage, produced by the applicant in order to show that it does not contain any entry under heading 28.29 (chlorates and perchlorates), consists of a mere list of codes in respect of which it is not possible to determine whether it relates to the voyage in question or to any voyage made by that vessel. Moreover, the applicant produced only 6 of the 700 pages contained in the document describing the goods transported by the vessel in question during that voyage. Those documents cannot therefore disprove the fact that sodium perchlorate was transported by that vessel, particularly since it is clear from exhibit 1 in the evidence file WK 12325/2024 DCL1 that, in the past, the applicant has falsified documents and used generic terms to evade shipping authorities and conceal its actual activities.

181 Similarly, it is apparent from the 'workdone' certificate produced by the applicant concerning the vessel *Jairan* that that vessel entered the shipyard where that work was carried out on 19 December 2024 and left that shipyard on 2 March 2025. Nevertheless, that fact is not incompatible with the fact that that vessel resumed its voyage from that date, since the applicant itself has admitted that the period of immobilisation of the vessel in question ended on that date, or with the fact that it transported sodium perchlorate from China to Iran, since the applicant has itself stated that the work in question had taken place in a Chinese shipyard. Nor are the dates of immobilisation of that vessel incompatible with the estimated duration of the journey of three weeks and an arrival in Bandar Abbas between 26 March and 29 March 2025, as is apparent from exhibit 17 in the evidence file WK 5850/2025 and exhibit 1 in the evidence file WK 8622/2025.

182 Furthermore, the applicant claims that the Council has not shown that the transportation of sodium perchlorate was intended for military use, or that sodium perchlorate was subsequently transferred to the Russian Federation, in support of its war of aggression against Ukraine, or to armed groups and entities undermining peace and security in the Middle East and the Red Sea region.

183 In that regard, it is clear from exhibits 1, 4, 16 and 17 in the evidence file WK 5850/2025 and exhibit 1 in the evidence file WK 8622/2025 that sodium perchlorate is mainly used for military purposes as a chemical precursor of ammonium perchlorate, which is itself then used in the production of missile propellants.

184 Furthermore, as the Council correctly submits, it is clear from exhibits 1 and 4 in the evidence file WK 5850/2025 that the sodium perchlorate that was transported from China to Iran, with the involvement of the vessels *Jairan* and *Golbon*, had been purchased by the IRGC/SSJO, itself identified as a branch of the IRGC Aerospace Force. It is also clear from exhibit 4 in that evidence file that a supply network which was

implemented in Türkiye and in Oman by the IRGC/SSJO in order to acquire goods usable for the development of missiles was the subject of sanctions by the United States of America in 2024.

185 It can therefore be concluded from the documents in the evidence files WK 5850/2025 and WK 8622/2025 that the sodium perchlorate transported from China to Iran by the vessels *Golbon* and *Jairan*, controlled by the applicant, was intended for military use.

186 Furthermore, the circumstance that the sodium perchlorate transported by the vessels *Golbon* and *Jairan* had been ordered by the IRGC/SSJO is sufficient, in itself, to show that the applicant shares ‘common interests’ with the IRGC/SSJO, within the meaning of the case-law referred to in paragraph 131 above.

187 In that regard, it must be recalled that, under the criterion laid down in Article 3(1)(c) of Decision 2023/1532, a legal person, such as the applicant, may have its name maintained on the lists at issue where it is associated with a natural or legal person, entity or body referred to in Article 3(1)(a) or (b) of that decision.

188 In the present case, it must be noted that, on the date of the adoption of the July 2025 maintaining acts, the IRGC/SSJO’s name was maintained on the lists at issue for the following reasons:

‘The [IRGC/SSJO] is a research and development unit that develops and manufactures ground penetrating radar, communication systems, weaponry, combat vehicles and electronic cyberwarfare equipment.

As part of the [IRGC], the [IRGC/SSJO] has been involved in research, development and procurement activities linked to the development of Iranian UAVs and missiles.

The [IRGC/SSJO] is therefore involved in Iran’s UAV and missile programmes and in transferring Iranian UAVs to [the Russian Federation] in support of its war of aggression against Ukraine.’

189 Thus, it is implicit from the reasons set out in paragraph 188 above that, on the date on which the July 2025 maintaining acts were adopted, the name of the IRGC/SSJO was maintained on the lists at issue under both the criterion laid down in Article 3(1)(a) of Decision 2023/1532 and the criterion laid down in Article 3(1)(b)(i) of that decision.

190 Consequently, in the light of the case-law referred to in paragraph 149 above, and without there being any need to examine the applicant’s arguments that the documents in the evidence files WK 5850/2025 and WK 8622/2025 of the Council concerning the vessels *Shiba*, *Artam*, *Artenos*, *Azargoun*, *Daisy* and *Kashan* do not support to the requisite legal standard the maintenance of its name on the lists at issue under the criterion laid down in Article 3(1)(b)(i) and (ii) of Decision 2023/1532, it is appropriate to conclude that the Council did not commit an error of assessment in finding that the documents contained in the evidence files WK 5850/2025 and WK 8622/2025 justified that maintenance under the criterion laid down in Article 3(1)(c) of that decision.

191 It follows that the first and second pleas in law must be rejected as unfounded in so far as they concern the July 2025 maintaining acts.

192 Since the first and second pleas in law have been upheld in so far as they are directed against the November 2024 listing acts, it is therefore appropriate to examine the fourth and the fifth plea only in so far as they are directed against the July 2025 maintaining acts.

C. The fourth plea in law, alleging a failure to observe the principle of legality

193 The applicant claims that the July 2025 maintaining acts infringed the Joint Comprehensive Plan of Action, signed in Vienna on 14 July 2015 ('the JCPOA'), and the United Nations Convention on the Law of the Sea (OJ 1998 L 179, p. 3) ('UNCLOS'), in particular in the light of the extraterritorial effect of the restrictive measures adopted against it, as well as that they failed to comply with the objectives set out in Article 3(5) and Article 21(1) TEU.

194 The Council, supported by the Commission, disputes the applicant's arguments.

1. *Infringement of the JCPOA*

195 The applicant submits that, in accordance with point 18 of the JCPOA, all parties, including the European Union, committed to implementing the agreed-upon measures, ensuring that sanctions relief was delivered in exchange for compliance by the Islamic Republic of Iran with nuclear-related restrictions. According to the applicant, the European Union lifted all economic and financial sanctions in connection with Iran's nuclear programme on 16 January 2016.

196 The applicant submits, in that regard, that, under Annex II to the JCPOA, the European Union agreed to lift all economic and financial sanctions related to Iran's nuclear program, including restrictive measures against it. More specifically, the applicant states that point 6.1.1 of that annex required the lifting of asset freezes and travel bans imposed on Iranian entities, including on itself and its subsidiaries.

197 The applicant claims, furthermore, that point 26 of the JCPOA explicitly states that the European Union will refrain from reimposing the sanctions it has lifted, unless justified through the formal dispute resolution mechanism outlined in the JCPOA itself.

198 The applicant submits that, by including and maintaining its name on the lists at issue, the Council seeks to reinstate the sanctions previously imposed on it under a different legal framework, in breach of the European Union's commitments under the JCPOA, rather than following the agreed-upon procedures under the JCPOA. That constitutes a breach of the European Union's international commitments and undermines the integrity of the JCPOA framework. Therefore, the July 2025 maintaining acts are contrary to international law as they were adopted in breach of the European Union's obligations under international treaties, namely under the JCPOA.

199 In the reply, the applicant states that the adoption of restrictive measures against it fails to observe the principles of legitimate expectations and legal certainty.

200 The Council, supported by the Commission, disputes the applicant's arguments.

201 It must be recalled that, pursuant to Article 216(2) TFEU, international agreements concluded by the European Union bind its institutions and consequently prevail over the acts laid down by those institutions (see judgment of 13 January 2015, *Council and Others v Vereniging Milieudefensie and Stichting Stop Luchtverontreiniging Utrecht*, C-401/12 P to C-403/12 P, EU:C:2015:4, paragraph 52 and the case-law cited).

202 In that regard, it must be noted that the JCPOA was concluded between the Islamic Republic of Iran, on the one hand, and the Federal Republic of Germany, the People's Republic of China, the United States of America, the Russian Federation, the French Republic and the United Kingdom of Great Britain and Northern Ireland, with the High Representative of the Union for Foreign and Security Policy, on the other, on 14 July

2015, in Vienna (Austria), and was approved by the United Nations Security Council by Resolution 2231 (2015) of 20 July 2015, in which that security council endorses the JCPOA, urges its full implementation on the timetable established in the JCPOA and provides for actions to be taken in accordance with the JCPOA.

- 203 Since the JCPOA was not adopted in accordance with the procedure laid down in Article 218 TFEU, with the procedures laid down in Article 219(1) and (3) TFEU concerning the conclusion of international agreements in the field of monetary policy, or with the procedure laid down in Article 207 TFEU concerning the conclusion of international agreements in the field of the common commercial policy, it does not fall within the scope of international agreements concluded by the Union for the purposes of Article 216(2) TFEU.
- 204 Nevertheless, it must be recalled that, in accordance with the case-law, observance of the undertakings given in the context of the United Nations is required in the sphere of the maintenance of international peace and security when the European Union gives effect, by means of the adoption of measures taken on the basis of Article 215(2) TFEU, to resolutions adopted by the Security Council under Chapter VII of the Charter of the United Nations (judgment of 3 September 2008, *Kadi and Al Barakaat International Foundation v Council and Commission*, C-402/05 P and C-415/05 P, EU:C:2008:461, paragraph 293).
- 205 When it puts into effect resolutions adopted by the Security Council of the United Nations, it is necessary for the European Union to attach special importance to the fact that, in accordance with Article 24 of the Charter of the United Nations, the adoption by the Security Council of resolutions under Chapter VII of the Charter constitutes the exercise of the primary responsibility with which that international body is invested for the maintenance of peace and security at the global level, a responsibility which, under Chapter VII, includes the power to determine what and who poses a threat to international peace and security and to take the measures necessary to maintain or restore them (see, by analogy, judgment of 3 September 2008, *Kadi and Al Barakaat International Foundation v Council and Commission*, C-402/05 P and C-415/05 P, EU:C:2008:461, paragraph 294).
- 206 Next, it is to be noted that the power provided for in Article 215(2) TFEU may be exercised only in pursuance of the adoption of a position by the European Union on the basis of the provisions of Chapter 2 of Title V of the EU Treaty relating to the common foreign and security policy (CFSP) which provides for EU action (see, by analogy, judgment of 3 September 2008, *Kadi and Al Barakaat International Foundation v Council and Commission*, C-402/05 P and C-415/05 P, EU:C:2008:461, paragraph 295).
- 207 In that regard, it must be recalled that, although, because of the adoption of such an act, the European Union is bound to take, under the FEU Treaty, the measures necessitated by that act, that obligation means, when the object is to implement a resolution of the Security Council adopted under Chapter VII of the Charter of the United Nations, that in drawing up those measures the European Union is to take due account of the terms and objectives of the resolution concerned and of the relevant obligations under that charter relating to such implementation (see, by analogy, judgment of 3 September 2008, *Kadi and Al Barakaat International Foundation v Council and Commission*, C-402/05 P and C-415/05 P, EU:C:2008:461, paragraph 296).
- 208 Nevertheless, it must be stated that, in the present case, although Decision 2023/1532 was adopted on the basis of Article 29 TEU, it is not intended to put into effect a Security Council resolution adopted under Chapter VII of the Charter of the United Nations but the European Union's own action under the CFSP.

- 209 In any event, it is important to point out that the provisions of the JCPOA were devoid of the scope attributed to it by the applicant.
- 210 Thus, point 19 of the JCPOA provides that the European Union is to terminate all provisions of the regulation ‘implementing all nuclear-related economic and financial sanctions, including related designations, simultaneously with the [International Atomic Energy Agency (IAEA)]-verified implementation of agreed nuclear-related measures by Iran’. Similarly, point 20 of the JCPOA provides that the European Union is to terminate all provisions of the regulation ‘implementing all EU proliferation-related sanctions, including related designations, 8 years after Adoption Day or when the IAEA has reached the Broader Conclusion that all nuclear material in Iran remains in peaceful activities, whichever is earlier’.
- 211 Furthermore, point 26 of the JCPOA provides that the European Union is to refrain ‘from re-introducing or re-imposing the sanctions that it has terminated implementing under this JCPOA, without prejudice to the dispute resolution process provided for under this JCPOA’. That provision states also that ‘there will be no new nuclear-related [United Nations] Security Council sanctions and no new EU nuclear-related sanctions or restrictive measures.’.
- 212 Annex II to the JCPOA contained, inter alia, the list of restrictive measures related to nuclear activities to be lifted by the European Union and its Member States. Those measures included, inter alia, Council Decision 2010/413/CFSP of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP (OJ 2010 L 195, p. 39) and Council Regulation (EU) No 267/2012 of 23 March 2012 concerning restrictive measures against Iran and repealing Regulation No 961/2010 (OJ 2012 L 88, p. 1), which concerned the applicant.
- 213 It is clear from points 19, 20 and 26 of the JCPOA and Annex II thereto that the European Union’s commitment to lift the restrictive measures adopted against the Islamic Republic of Iran in the context of the JCPOA concerned only restrictive measures linked to Iran’s nuclear programme, without prejudice to the adoption of new restrictive measures based on other grounds, such as the November 2024 listing acts and the July 2025 maintaining acts, which are intended to respond to the Islamic Republic of Iran’s military support to the Russian Federation’s war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region.
- 214 Furthermore, it must be noted that the applicant’s arguments that the adoption of restrictive measures against it in breach of the JCPOA fails to observe the principles of legitimate expectations and legal certainty are put forward for the first time in the reply. It should be borne in mind that, according to settled case-law, under Article 84(1) of the Rules of Procedure, no new plea in law may be introduced in the course of proceedings unless it is based on matters of law or of fact which come to light in the course of the procedure, or it is a plea or argument that amplifies a plea put forward previously, whether directly or by implication, in the original application, and which is closely connected therewith (see judgment of 24 September 2025, *Sanofi v Commission*, T-483/22, EU:T:2025:912, paragraph 218 and the case-law cited). In the present case, it must be noted that the argument alleging a failure to observe the principles of legitimate expectations and legal certainty constitutes a legal ground distinct from the infringement of the JCPOA, with the result that the applicant’s line of argument alleging a failure to observe those principles must be regarded as a new plea within the meaning of that provision. Since the delay in raising that line of argument is not justified by matters of law or of fact which have come to light in the course of the procedure, it must be rejected as inadmissible.

215 In the light of the foregoing considerations, the applicant's line of argument alleging an infringement of the JCPOA must be rejected.

2. *Infringement of UNCLOS*

216 The applicant submits that the July 2025 maintaining acts, leading to the freezing of its assets and economic resources within the jurisdiction of the European Union, expose its vessels to the risk of seizure or detention if they enter the ports or territorial waters of the Member States of the European Union, which infringes the right of innocent passage through the territorial sea, enshrined in Article 17 of UNCLOS, the right of transit passage provided for in Article 38(1) of that convention and the freedom of the high seas provided for in Article 87(1)(a) of that convention.

217 The Council, supported by the Commission, disputes the applicant's line of argument.

218 It must be noted that UNCLOS was signed by the European Community and approved by Council Decision 98/392/EC of 23 March 1998 concerning the conclusion by the European Community of [UNCLOS of 10 December 1982] and the Agreement of 28 July 1994 relating to the implementation of Part XI thereof (OJ 1998 L 179, p. 1), which has the effect of binding the European Union, and that the provisions of that convention subsequently form an integral part of its legal order.

219 The applicant submits that the contested acts infringe Article 17, Article 38(1) and Article 87(1)(a) of UNCLOS.

220 Article 17 of UNCLOS, entitled 'Right of innocent passage', provides that, 'subject to this Convention, ships of all States, whether coastal or land-locked, enjoy the right of innocent passage through the territorial sea.'

221 Article 38 of UNCLOS, which relates to the right of transit passage, provides, in paragraph 1 thereof, that, 'in straits referred to in article 37, all ships and aircraft enjoy the right of transit passage, which shall not be impeded; except that, if the strait is formed by an island of a State bordering the strait and its mainland, transit passage shall not apply if there exists seaward of the island a route through the high seas or through an exclusive economic zone of similar convenience with respect to navigational and hydrographical characteristics.'

222 Article 87(1) of UNCLOS, which concerns freedom of the high seas, provides:

'The high seas are open to all States, whether coastal or land-locked. Freedom of the high seas is exercised under the conditions laid down by this Convention and by other rules of international law. It comprises, inter alia, both for coastal and land-locked States:

(a) freedom of navigation;

...'

223 It must be recalled that, in accordance with settled case-law, the provisions of an international agreement to which the European Union is a party can be relied on in support of an action for annulment of an act of secondary EU legislation or an exception based on the illegality of such an act only where, first, the nature and the broad logic of that agreement do not preclude it and, second, those provisions appear, as regards their content, to be unconditional and sufficiently precise (see judgment of 13 January 2015, *Council and Others v Vereniging Milieudefensie and Stichting Stop Luchtverontreiniging Utrecht*, C-401/12 P to C-403/12 P, EU:C:2015:4, paragraph 54 and the case-law cited). It is therefore only when both those conditions are met that such

provisions may be relied upon before the EU Courts as a criterion in order to assess the legality of an EU act (judgment of 16 July 2015, *Commission v Rusal Armenal*, C-21/14 P, EU:C:2015:494, paragraph 37).

- 224 In that regard, the Court of Justice held that UNCLOS's main objective is to codify, clarify and develop the rules of general international law relating to the peaceful cooperation of the international community when exploring, using and exploiting marine areas (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 55).
- 225 According to the preamble to UNCLOS, the Contracting Parties agreed to that end to establish through UNCLOS a legal order for the seas and oceans which would facilitate international navigation, which would take into account the interests and needs of mankind as a whole and, in particular, the special interests and needs of developing countries, and which would strengthen peace, security, cooperation and friendly relations among all nations (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 56).
- 226 From that viewpoint, UNCLOS lays down legal regimes governing the territorial sea (Articles 2 to 33), waters forming straits used for international navigation (Articles 34 to 45), archipelagic waters (Articles 46 to 54), the exclusive economic zone (Articles 55 to 75), the continental shelf (Articles 76 to 85) and the high seas (Articles 86 to 120) (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 57).
- 227 For all those marine areas, UNCLOS seeks to strike a fair balance between the interests of States as coastal States and the interests of States as flag States, which may conflict. In that connection, as is apparent from numerous provisions of the Convention, such as Articles 2 and 33, Article 34(2), and Articles 56 and 89, the Contracting Parties to that convention provide for the establishment of the substantive and territorial limits to their respective sovereign rights (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 58).
- 228 On the other hand, individuals are in principle not granted independent rights and freedoms by virtue of UNCLOS. In particular, they can enjoy the freedom of navigation only if they establish a close connection between their ship and a State which grants its nationality to the ship and becomes the ship's flag State. This connection must be formed under that State's domestic law. Article 91 of UNCLOS states in that regard that every State is to fix the conditions for the grant of its nationality to ships, for the registration of ships in its territory and for the right to fly its flag, and that there must exist a genuine link between the State and those ships. Under Article 92(1) of UNCLOS, ships are to sail under the flag of one State only and may not change their flag during a voyage or while in a port of call, save in the case of a real transfer of ownership or change of registry (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 59).
- 229 If a ship is not attached to a State, neither the ship nor the persons on board enjoy the freedom of navigation. In that connection, UNCLOS provides *inter alia*, in Article 110(1), that a warship which encounters a foreign ship on the high seas is justified in boarding it if there is reasonable ground for suspecting that the ship is without nationality (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 60).
- 230 It is true that the wording of certain provisions of UNCLOS, such as Article 17, Article 38(1) and Article 87(1)(a), appear to attach rights to ships. It does not, however, follow that those rights are thereby conferred on the individuals linked to those ships,

such as their owners, because a ship's international legal status is dependent on the flag State and not on the fact that it belongs to certain natural or legal persons (see, by analogy, judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 61).

231 Likewise, it is the flag State which, under UNCLOS, must take such measures as are necessary to ensure safety at sea and, therefore, to protect the interests of other States. The flag State may thus also be held liable, vis-à-vis other States, for harm caused by a ship flying its flag to marine areas placed under those States' sovereignty, where that harm results from a failure of the flag State to fulfil its obligations (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 62).

232 In those circumstances, it must be found that UNCLOS does not establish rules intended to apply directly and immediately to individuals and to confer upon them rights or freedoms capable of being relied upon against States, irrespective of the attitude of the ship's flag State (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 64).

233 It follows that the nature and the broad logic of UNCLOS prevent the Court of Justice from being able to assess the validity of an EU measure in the light of that convention (judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 65).

234 Accordingly, the applicant's arguments alleging an infringement of UNCLOS must be rejected.

3. *Infringement of Article 3(5) and Article 21(1) TEU*

235 The applicant submits that the July 2025 maintaining acts do not fulfil the objectives set out in Article 3(5) and Article 21(1) TEU, but produce disproportionate and extraterritorial consequences, impacting not only the applicant but also global trade, maritime commerce, and humanitarian access.

236 According to the applicant, by restricting the only maritime carrier of Iran, those sanctions obstruct lawful commercial transactions, hinder the transportation of essential goods, and negatively impact Iranian civilians, in direct contradiction with the European Union's stated commitments to peace, security, sustainable development, and multilateralism.

237 Furthermore, the applicant states that the July 2025 maintaining acts are also fundamentally incompatible with the European Union's commitment to free and fair trade, as enshrined in Article 3(5) TEU. According to it, the sanctions imposed on it create unlawful trade distortions, undermining competition, market access, and legal certainty for economic operators engaging in international shipping and trade. The applicant states that by maintaining its name on the lists at issue, the July 2025 maintaining acts restrict also the free flow of goods, creating a de facto trade barrier, contradicting fundamental EU principles.

238 The Council, supported by the Commission, disputes the applicant's arguments.

239 It must be noted at the outset that Article 3(5) and Article 21(1) TEU are provisions that lay down the objectives of the European Union's external action.

240 Thus, Article 3(5) TEU provides:

'In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to

peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter.’

241 Similarly, Article 21(1) TEU provides:

‘The Union’s action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.

The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations which share the principles referred to in the first subparagraph. It shall promote multilateral solutions to common problems, in particular in the framework of the United Nations.’

242 Although Article 3(5) and Article 21(1) TEU are important factors in particular for the interpretation of EU law in the economic and social sphere, those provisions clearly lay down a programme, so that the implementation of the objectives which they set out must be the result of the policies and activities of the European Union and also of the Member States. Consequently, the applicant’s claim that the July 2025 maintaining acts were adopted in breach of the objectives laid down in Article 3(5) and Article 21(1) TEU is unfounded (see, to that effect and by analogy, judgment of 23 November 1999, *Portugal v Council*, C-149/96, EU:C:1999:574, paragraphs 86 and 87).

243 Moreover, as regards the complaint that the July 2025 maintaining acts produce an extraterritorial effect which, in essence, is contrary to the objective of compliance with international law, it must be stated that the applicant has not explained how such effects undermine those objectives and, in particular, which rule or principle of international law is infringed, with the result that that complaint must be rejected as unsubstantiated.

244 Accordingly, the applicant’s line of argument alleging infringement of Article 3(5) and Article 21(1) TEU must be rejected.

245 It follows that the fourth plea in law must be rejected in its entirety as unfounded.

D. Fifth plea in law, alleging a failure to observe the principle of proportionality

246 In the first place, the applicant claims that the July 2025 maintaining acts have a disproportionate impact on its situation. According to the applicant, first of all, by restricting its freedom of transit and access to financial resources, those acts have seriously infringed its fundamental right to freedom to conduct a business. Next, it states that, in view of its important role in the region, the July 2025 maintaining acts effectively weaken one of the Middle East’s primary facilitators of international trade, impacting businesses and economies beyond Iran. Lastly, it submits that those acts specifically penalise the primary shipping line of the Islamic Republic of Iran, seriously disrupting supply chains and increasing the commercial costs for businesses and third countries that rely on the applicant for essential imports and exports.

247 In the second place, the applicant submits that the July 2025 maintaining acts may also cause significant and disproportionate damage to the Iranian civilian population.

According to the applicant, the cumulative effect of the restrictive measures, including those imposed on it by the Council, has led to a substantial contraction of Iran's economy, adversely affecting the civilian population. The limitations on trade and economic activities have led to shortages of essential goods, increased unemployment, and thus a decline in the standard of living for many Iranians, and has also adversely affected Iran's healthcare system, limiting access to essential medicinal products and medical equipment. The applicant submits that the restrictive measures imposed on it by those acts therefore exacerbate an already challenging situation caused by existing international sanctions.

248 The Council, supported by the Commission, disputes the applicant's arguments.

249 It must be noted that the arguments put forward by the applicant in support of the fifth plea in law must be regarded as referring to a disproportionate interference by the July 2025 maintaining acts with its freedom to conduct a business, and with the fundamental rights of Iranian nationals.

250 In that regard, it must be recalled that the freedom to conduct a business is enshrined in Article 16 of the Charter.

251 In the present case, it must be noted that, under Article 3 of Decision 2023/1532, first, the applicant may not freely dispose of the funds and economic resources situated within the territory of the European Union owned, held or controlled by it, which are frozen, and, second, no funds or economic resources may be made available, directly or indirectly, to it or for its benefit.

252 Such restrictive measures undeniably result in a restriction on the applicant's exercise of its freedom to conduct a business (see, by analogy, judgment of 26 November 2025, *Bazhaev v Council*, T-608/24, not published, EU:T:2025:1066, paragraph 71).

253 Nevertheless, the fundamental rights, including the freedom to conduct a business on which the applicant relies, are not absolute rights, and the exercise thereof may be subject to limitations, under the conditions laid down in Article 52(1) of the Charter, according to which, first, 'any limitation on the exercise of the rights and freedoms recognised by [the Charter] must be provided for by law and respect the essence of those rights and freedoms' and, second, 'subject to the principle of proportionality, limitations may be made only if they are necessary and genuinely meet objectives of general interest recognised by the Union or the need to protect the rights and freedoms of others.'

254 Thus, in order to comply with EU law, a limitation on the exercise of the fundamental rights and freedoms must satisfy four conditions. First, it must be 'provided for by law', in the sense that the EU institution adopting measures liable to restrict a natural or legal person's fundamental rights must have a legal basis for its actions. Second, it must respect the essence of those rights. Third, it must refer to an objective of general interest, recognised as such by the European Union. Fourth, it must be proportionate (see, to that effect, judgment of 27 July 2022, *RT France v Council*, T-125/22, EU:T:2022:483, paragraphs 145 and 222 and the case-law cited).

255 First, the restrictive measures at issue, that is to say, those resulting from the July 2025 maintaining acts, are 'provided for by law', since they are laid down in acts of general application, namely Decision 2023/1532, as amended, and Regulation 2023/1529, as amended, and they have a clear legal basis in EU law, namely Article 29 TEU and Article 215 TFEU, respectively.

- 256 Second, the restrictive measures at issue are limited in time and reversible, in so far as they apply until a specific date, namely until 27 July 2026, and are kept under constant review, in accordance with Article 10 of Decision 2023/1532, as amended. Furthermore, Article 3 of that decision lays down exemptions and possibilities to grant derogations in respect of the restrictive measures applied. In addition, the restrictive measures adopted vis-à-vis the applicant do not limit its freedom to conduct a business outside the European Union. It follows that the contested acts do not infringe the essence of the freedom to conduct a business (see, to that effect, judgment of 27 July 2022, *RT France v Council*, T-125/22, EU:T:2022:483, paragraph 154).
- 257 Third, as is clear from recitals 5, 7 and 8 of Decision 2024/2894, the restrictive measures at issue are intended to discourage the Islamic Republic of Iran from supplying UAVs, missiles, related technologies or components thereof to the Russian Federation in support of its war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region. That is an objective of general interest which falls within the objectives pursued under the CFSP, referred to in Article 21(2)(b) and (c) TEU, such as the consolidation of and support for democracy, the rule of law, human rights and the principles of international law, and the preservation of peace, prevention of conflicts and strengthening of international security and the protection of civilian populations (see, to that effect, judgment of 30 November 2016, *Rotenberg v Council*, T-720/14, EU:T:2016:689, paragraph 176).
- 258 Fourth, with regard to the principle of proportionality, it must be noted that, as a general principle of EU law, this requires that measures adopted by the EU institutions do not exceed the limits of what is appropriate and necessary in order to attain the objectives pursued by the legislation in question. Consequently, when there is a choice between several appropriate measures, recourse must be had to the least onerous, and the disadvantages caused must not be disproportionate to the aims pursued (see judgment of 30 November 2016, *Rotenberg v Council*, T-720/14, EU:T:2016:689, paragraph 178 and the case-law cited).
- 259 First of all, as regards the requirement that the restrictive measures at issue be capable of attaining the objectives pursued, it should be noted that, given the paramount importance of the objective of maintaining peace and international security which they pursue and the negative consequences resulting from their application as described by the applicant, those measures are not inappropriate.
- 260 In that regard, it must be emphasised that the effects of the restrictive measures at issue are limited to the territory of the European Union, with the result that they concern at most only part of the own funds or economic resources belonging to the applicant and do not prevent the applicant from carrying on its activities in the country in which it is established or in other third countries, as is demonstrated, moreover, by Annex A.38 to the application and exhibit 9 in the evidence file WK 8622/2025.
- 261 Furthermore, it is clear from the case-law that any economic or financial restrictive measure has, *ex hypothesi*, consequences which affect the right to property and the freedom to pursue a trade or business, thereby causing harm, in particular to the entities carrying on the activities that the restrictive measures in question are designed to stop. The importance of the aims pursued by the legislation at issue is such as to justify negative consequences, even of a substantial nature, for some operators (see judgment of 14 October 2009, *Bank Melli Iran v Council*, T-390/08, EU:T:2009:401, paragraph 70 and the case-law cited; judgment of 14 September 2016, *National Iranian Tanker Company v Council*, T-207/15, not published, EU:T:2016:471, paragraph 111).

- 262 Next, as regards the necessity of the restrictive measures at issue, it must be noted that alternative and less onerous measures, such as a system of prior authorisation or an obligation to justify, a posteriori, how the funds transferred were used, are not as effective in achieving the objectives pursued. In that regard, the applicant has failed to explain which less onerous measures the Council could have adopted that would have been just as appropriate as those provided for.
- 263 Lastly, a weighing up of the interests at stake shows that the disadvantages entailed by the temporary freezing of funds are not disproportionate to the objectives pursued, contrary to what the applicant claims. Specific derogations from the restrictive measures may be granted by the authorities of the Member States in accordance with Article 3(3) to (9d) of Decision 2023/1532, as amended, and Articles 3a to 3c of Regulation 2023/1529, as amended, in particular to satisfy the basic or essential needs of the persons concerned or to meet the necessary expenditure.
- 264 Furthermore, as regards the applicant's argument that the appropriateness of the restrictive measures at issue must be assessed taking into account their cumulative effect, it must be noted that, since the system of restrictive measures put in place by the European Union as regards the Islamic Republic of Iran is independent from that of third States, the Council cannot legitimately be criticised for not having taken into account, when adopting the contested acts, the impact which the legislation of third States could have had on the applicant's situation (see, by analogy, judgment of 10 September 2025, *Abramovich v Council*, T-1105/23, not published, under appeal, EU:T:2025:839, paragraph 236).
- 265 In addition, it must be noted that, as the Council submits, the July 2025 maintaining acts, combined with all the other restrictive measures adopted, inter alia, under Decision 2023/1532 and Regulation 2023/1529, are liable to have an effect on the military support of the Islamic Republic of Iran to the Russian Federation and to armed groups and entities undermining peace and security in the Middle East and the Red Sea region.
- 266 In particular, making provision for the freezing of the assets of a shipping company and prohibiting economic resources from being made available to that company, namely the applicant, whose vessels have transported chemicals used in propellants for missiles for the IRGC/SSJO, which is itself also involved in Iran's UAV and missile programmes in the Red Sea region, is capable of contributing to the objectives pursued by the contested acts.
- 267 It follows from the foregoing considerations that the interference with the applicant's freedom to conduct a business is not disproportionate.
- 268 Furthermore, as regards the interference caused by the restrictive measures imposed on the applicant by the contested acts to the fundamental rights of Iranian nationals, it should be noted that, according to the case-law, infringement of an individual right may, in principle, be relied on only by the person whose right has allegedly been infringed, but not by third parties (see, to that effect and by analogy, judgment of 19 September 2019, *Zhejiang Indja Pipeline Industry v Commission*, T-228/17, EU:T:2019:619, paragraph 31 and the case-law cited).
- 269 Furthermore, it should be recalled that restrictive measures, by definition, have consequences which affect rights to property and the freedom to pursue a trade or business, thereby causing harm to persons who are in no way responsible for the situation which led to the adoption of the sanctions (judgment of 28 March 2017, *Rosneft*, C-72/15, EU:C:2017:236, paragraph 149).

270 Accordingly, the fifth plea in law must be rejected as unfounded.

271 Since the first and second pleas in law are well founded in so far as they concern the November 2024 listing acts, those acts must be annulled and the action must be dismissed as to the remainder.

E. The effects of the annulment of the November 2024 listing acts

272 Since the applicant's name appears on the lists at issue by virtue of the July 2025 maintaining acts, the annulment of the November 2024 listing acts does not entail the disappearance of that name from those lists. Consequently, it is not necessary to order that the effects of Decision 2024/2894 be maintained until the partial annulment of Implementing Regulation 2024/2896 takes effect.

IV. Costs

273 Under Article 134(1) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Article 134(3) of those rules provides, *inter alia*, that the parties are to bear their own costs where each party succeeds on some and fails on other heads. Furthermore, in accordance with Article 138(1) of those rules, the institutions which have intervened in the proceedings are to bear their own costs.

274 In the present case, since the applicant and the Council have each been partially unsuccessful, each is to be ordered to bear its own costs. The Commission is to bear its own costs.

On those grounds,

THE GENERAL COURT (First Chamber)

hereby:

1. **Annuls Council Decision (CFSP) 2024/2894 of 18 November 2024 amending Decision (CFSP) 2023/1532 concerning restrictive measures in view of Iran's military support to Russia's war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region and Council Implementing Regulation (EU) 2024/2896 of 18 November 2024 implementing Regulation (EU) 2023/1529 concerning restrictive measures in view of Iran's military support to Russia's war of aggression against Ukraine and to armed groups and entities in the Middle East and the Red Sea region, in so far as they concern Islamic Republic of Iran Shipping Lines;**
2. **Dismisses the action as to the remainder;**
3. **Orders Islamic Republic of Iran Shipping Lines, the Council of the European Union and the European Commission to pay their own costs.**

Buttigieg

Kancheva

Bestagno

Delivered in open court in Luxembourg on 30 September 2026.

Registrar

President

Table of contents

- I. Background to the dispute and events subsequent to the bringing of the action
- II. Forms of order sought
- III. Law
 - A. The third plea in law, alleging a failure to comply with the obligation to state reasons
 - 1. The statement of reasons for the November 2024 listing acts
 - 2. The statement of reasons for the July 2025 maintaining acts
 - B. The first and second pleas in law, alleging that the facts are materially inaccurate as well as errors of assessment
 - 1. Whether the inclusion of the applicant's name on the lists at issue by the November 2024 listing acts was well founded
 - (a) Whether the allegations contained in the statement of reasons for the November 2024 listing acts are materially accurate
 - (1) The allegation that '[the Irgcn] converts container ships owned by [the applicant] into drone carriers'
 - (2) The allegation that, 'for years, [the applicant's] ships have been involved in shipping military related cargo'
 - (b) Error of assessment of the facts in the November 2024 listing acts
 - 2. Whether the maintenance of the applicant's name on the lists at issue by the July 2025 maintaining acts was well founded
 - (a) The conversion by the Irgcn of 'container ships owned or previously owned by [the applicant's] Group into drone carriers'
 - (b) The transportation, by the vessels Golbon and Jairan, of sodium perchlorate, used in the production of solid propellants for missiles
 - C. The fourth plea in law, alleging a failure to observe the principle of legality
 - 1. Infringement of the JCPOA
 - 2. Infringement of UNCLOS
 - 3. Infringement of Article 3(5) and Article 21(1) TEU
 - D. Fifth plea in law, alleging a failure to observe the principle of proportionality
 - E. The effects of the annulment of the November 2024 listing acts
- IV. Costs

* Language of the case: English.