



IHS Markit™

Announcement: Postponement of consultation of treatment of potentially impacted issuers by the US Sanctions pursuant to Executive Order 13959 within iBoxx indices (EO 13959 – Update 2)

15 March 2021

1. IHS Markit's Administration

IHS Markit Benchmark Administration Limited (**IMBA UK**) is the Index Administrator of the iBoxx indices (thereafter, the **Indices**).

IMBA administers the Indices in accordance with the International Organisation of Securities Commissions Principles for Financial Benchmarks (the IOSCO Principles) and in compliance with the UK Benchmarks Regulation (UK BMR).

2. Background

In relation to the Executive Order (Executive Order 13959) signed by the President of the United States of America on Thursday, 12 November 2020, prohibiting U.S. Persons from transacting in securities of certain Chinese companies listed in the Executive Order, and following guidance provided by The U.S. Department of the Treasury (DOT) and Office of Foreign Assets Control (OFAC), IMBA UK had stated in the announcements made on [30 December 2020](#) and [22 January 2021](#) its intention to hold a consultation in Q1 2021 to determine the ongoing treatment of impacted issuers, including a potential exclusion of bonds from such issuers and a corresponding timeline.

Following the announcements by IMBA UK, on 27 January 2021 OFAC published the General License No. 1A with regards to Executive Order 13959, extending the permission to continue transacting in publicly traded securities of an entity whose name closely matches, but does not exactly match, the name of a Communist Chinese military company on the sanctions list until 27 May 2021.

3. Decision to postpone the consultation

After the extension of authorization to 27 May 2021 in General License No. 1A, no further guidance has been provided by OFAC. Given the lack of clarity on the identification and treatment of subsidiaries and affiliated companies of issuers on the sanctions list, IMBA UK has postponed the originally envisaged consultation on the treatment of impacted issuers until additional guidance on the scope of subsidiaries and affiliated companies has been provided.

For any questions regarding IMBA UK's above announcement please contact indices@ihsmarkit.com