
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision relating to the enforcement of Council Regulation (EU) No. 36/2012 of 18 January 2012 (OJ L 16, 19.01.2012, p.1) concerning restrictive measures in view of the situation in Syria and repealing Council Regulation (EU) No. 442/2011 (“the Council Regulation”).

The measures include the freezing of funds and economic resources of designated persons and ensuring that funds and economic resources are not made available to them or for their benefit. They also include broader financial sanctions measures.

Regulation 2 defines designated persons as any person, entity or body named in Annex II or IIa to the Council Regulation (as amended from time to time).

Regulations 3 to 7 provide prohibitions against dealing with the funds or economic resources of a designated person or making funds or economic resources available, directly or indirectly, to or for the benefit of, a designated person.

Regulation 8 makes provision for a temporary exception to the asset freeze for trade contracts in respect of entities listed in Annex IIa to the Council Regulation.

Regulation 9 provides an exception to the prohibitions in regulations 4 and 5 where a frozen account is credited for a permitted reason.

Regulation 10 provides a licensing procedure to enable funds and economic resources to be exempted from the prohibitions.

Regulation 11 prohibits the sale or purchase of Syrian public bonds to or from the Syrian Government, public bodies, corporations and agencies and Syrian credit or financial institutions and their branches and subsidiaries. It also prohibits the provision of brokering services, and assistance in the issue of bonds, to such persons.

Regulation 12 prohibits a credit or financial institution establishing certain relationships with Syrian credit or financial institutions and their branches and subsidiaries. It also prohibits a credit or financial institution from opening a representative office or establishing a branch in Syria.

Regulation 13 prohibits the making of an agreement for or on behalf of Syrian credit or financial institutions and their branches and subsidiaries to establish a representative office, branch or subsidiary in the European Union.

Regulation 14 prohibits Syrian credit or financial institutions and their branches and subsidiaries acquiring or extending an ownership interest in a credit or financial institution.

Regulation 15 prohibits the provision of insurance or re-insurance to the Syrian Government or its public bodies, corporations or agencies.

Regulation 16 makes it an offence to breach any of the prohibitions in regulations 3 to 7 and 11 to 15 or to seek to circumvent those prohibitions. Regulations 17 to 20 contain provisions about penalties, proceedings and who, in relation to bodies corporate and other bodies, may be prosecuted for an offence under the Regulations.

Regulation 24 revokes the Regulations which currently make provision for penalties for contravention of the asset freezing measures contained in Council Regulation (EU) No. 442/2011. Regulation 25 provides that any licences which were issued under those revoked Regulations continue to have effect for the purposes of these Regulations.

The Schedule makes provision for information gathering and information disclosure.

Status: This is the original version (as it was originally made).

A list of designated persons is available on the Internet at: www.hm-treasury.gov.uk/fin_sanctions_index.htm.

An impact assessment has not been produced for this instrument as no impact on the costs of business or the voluntary sector is foreseen. Further information is available from the Asset Freezing Unit, HM Treasury, 1 Horse Guards Road, London SW1A 2HQ and on the Treasury's website (www.hm-treasury.gov.uk).