

E-ALERT | International Trade Controls

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EU AMENDS SANCTIONS AGAINST SYRIA AND REPEALS MOST SANCTIONS AGAINST BURMA (MYANMAR)

Over the last several weeks, the European Union has implemented amendments to its economic sanctions programs against Syria and Burma, as follows:

- On April 10, 2013, the Council of the European Union (“EU Council”) adopted [Regulation 325/2013](#), which amends the existing EU sanctions against Syria imposed by [Regulation 36/2012](#). The amendments include, in particular, new restrictions on access to EU airports by Syrian carriers and derogations from certain existing sanctions, aimed to provide greater assistance to the Syrian National Coalition for Opposition and Revolutionary Forces (“SNCORF”).
- On April 23, 2013, the EU Council adopted [Decision 2013/186/CFSP](#) which further amended certain existing sanctions against Syria, including the oil embargo, in order to help the Syrian civilian population and the SNCORF. The Decision still remains to be implemented via a Council Regulation, which is expected in the coming weeks.
- Finally, on April 23, 2013, by [Decision 2013/184/CFSP](#), the EU Council lifted most sanctions against Burma (Myanmar) in response to the democratic changes in that country. The Decision was implemented by [Regulation 401/2013](#), adopted on May 2, 2013.

I. AMENDMENTS TO THE SANCTIONS AGAINST SYRIA

A. NEW RESTRICTIONS

[Regulation 325/2013](#), which entered into force on April 12, 2013, includes the following amendments to the existing EU sanctions against Syria:

- **New restrictions on the provision of financial services related to military items**

Regulation 325/2013 prohibits the provision, directly or indirectly, of (i) financing or financial assistance, including financial derivatives, relating to the items listed in the EU’s Common Military List as well as (ii) insurance, reinsurance, and brokering services relating to insurance and reinsurance for the purchase, import or transport of such items if they originate in Syria, or are being exported from Syria to any other country.

- **New restrictions on the access to EU airports by Syrian airlines**

Regulation 325/2013 also prohibits the provision of access to EU airports to (i) cargo flights operated by Syrian carriers and (ii) all flights operated by Syrian Arab Airlines unless:

- the aircraft are engaged in non-scheduled international air services and landing is for non-traffic or non-commercial traffic purposes; or
- the aircraft are engaged in scheduled international air services and landing is for non-traffic purposes, as provided for under the Chicago Convention on International Civil Aviation or the International Air Services Transit Agreement.

The foregoing prohibitions do not apply to flights that evacuate EU nationals and their family members from Syria.

B. DEROGATIONS FROM THE EXISTING SANCTIONS

In addition to the above-mentioned restrictions, [Regulation 325/2013](#) and [Decision 2013/186/CFSP](#) include the following derogations from the existing EU sanctions against Syria:

■ **Derogations from the prohibition to supply certain equipment**

Member States may authorize the sale, supply, transfer or export to any person, entity or body in Syria or for use in Syria of certain designated equipment that could be used for internal repression, provided that such equipment is intended for:

- humanitarian or protective use;
- institution building programmes of the United Nations (UN) and the EU; and
- UN and the EU crisis management operations.

Moreover, Member States may authorize the sale, supply, transfer or export of the equipment which could be used for internal repression to the SNCORF provided that the equipment is non-lethal and is intended for the protection of civilians in Syria.

■ **Derogations from the prohibition to provide certain technical assistance and services**

Member States may authorize the provision of technical assistance, brokering services and certain other services related to non-lethal military equipment, non-combat vehicles, or equipment which could be used for internal repression to the SNCORF provided that the technical assistance and the other services are intended for the protection of civilians.

■ **Derogations from the asset freezing measures for humanitarian-related transactions and transactions necessary to comply with judicial or arbitral judgments**

The Regulation includes a new provision, in Article 16, authorizing Member States to issue licenses to release frozen funds or economic resources, or to make available funds or economic resources to designated parties, provided the funds or economic resources are necessary for human safety or for environmental protection in Syria. This provision supplements a pre-existing licensing clause in Article 16 that allowed Member States to authorize dealings with Syrian parties subject to asset freezing measures when necessary for “humanitarian purposes.”

Moreover, Member States may authorize transactions carried out with respect to Syrian Arab Airlines (designated by the EU in July 2012) for the purpose of evacuating EU nationals and their family members from Syria.

Finally, Article 18 of the Regulation - which allows Member States to issue licenses to authorize transactions with designated parties that are necessary for purposes of complying with judicial or arbitral judgments - has been amended to allow Member States to authorize such transactions if they relate to a judicial or administrative decision rendered in the EU, or a judicial decision enforceable in a Member State, prior to or after that date upon which the designated party was sanctioned under the Regulation. Previously, Article 18 extended only to decisions rendered prior to the date of the party’s designation.

■ **Derogations from certain restrictions targeting the Syrian oil and natural gas industry**

Moreover, Decision 2013/186/CFSP allows Member States to authorize:

- the purchase, import or transport from Syria of crude oil and petroleum products and the provision of related financing or financial assistance;
- the sale, supply or transfer of key equipment and technology for the oil and natural gas industry in Syria or to Syrian or Syrian-owned enterprises and the provision of related

technical assistance or training, financing or financial assistance, and other related services; and

- the granting of any financial loan or credit to or the acquisition or extension of a participation in enterprises in Syria that are engaged in the Syrian oil industry sectors of exploration, production or refining, or Syrian or Syrian-owned enterprises engaged in those sectors outside Syria, or the creation of any joint venture with enterprises in Syria that are engaged in the Syrian oil industry sectors of exploration, production or refining and with any subsidiary or affiliate under their control.

Before authorizing the transactions outlined by [Decision 2013/186/CFSP](#), Member States must consult with the SNCORF. Moreover, they must ensure that the authorized transactions do not violate the asset freezing measures imposed on Syrian designated parties.

II. REPEAL OF MOST SANCTIONS AGAINST BURMA (MYANMAR)

In order to encourage the democratization process in Burma, the EU Council decided to repeal the EU sanctions against Burma except for the arms embargo and the embargo on designated equipment capable of use for internal repression (listed in Annex I to [Regulation 401/2013](#)).

The repeal follows the suspension of the EU sanctions against Burma, in force since April 2012, which were described in our previous [e-alert](#).

If you have any questions concerning the material discussed in this client alert, please contact the following members of our EU export controls and economic sanctions practice group:

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