

ClientAlert

International Trade

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Further EU expansion of Syrian sanctions measures



I. Introduction

On 23 September 2011, the Council of the European Union (EU) again expanded EU sanctions measures against Syria – this time targeting financing and investment of the Syrian crude oil industry, supply of Syrian banknotes and coins and another eight persons and entities considered to benefit from or support the Syrian regime – in **Council Decision 2011/628/CFSP**.¹ This Decision was published in the EU's Official Journal of Saturday, 24 September 2011 along with accompanying **Council Regulation 950/2011**² (which amends the EU's original Syria Sanctions Regulation, Regulation 442/2011, and entered into force on the same day).

II. New restrictions introduced by Regulation 950/2011

To read our previous client alert describing the EU's original Syria Sanctions Regulation (i.e. Regulation 442/2011),³ which features the main framework of implementing EU rules for economic sanctions against Syria, click [here](#).

Regulation 950/2011 further expands the EU's Syria sanctions framework by adding **Article 3c** to the original Syria Sanctions Regulation, introducing a **new prohibition on financing** (i.e. financial loans and credit) and **investment** (i.e. acquisition or extension of participation or creation of joint ventures) in **Syrian parties** (including certain parties active outside Syria) **engaged in exploration, production or refining of crude oil**. A **special exception** to this new ban allows **execution of pre-existing** (i.e. those concluded **before** 23 September 2011) **contract obligations**. For the previously established ban on purchase, transport and EU import of crude oil and petroleum products, the Regulation also amends the relevant product list to exclude certain petroleum gas and other gaseous hydrocarbon products.⁴

The new Regulation also introduces **Article 2a** featuring a new ban on direct or indirect sale, supply, transfer or export of **new EU printed and minted Syrian denominated banknotes and coins** to the Central Bank of Syria.

With respect to the **eight newly added designated parties**, Regulation 950/2011 adds two persons and six entities (including Cham Holding, Addounia TV and Syriatel) to the EU's existing asset freeze list (i.e. Annex II) – with the result that no funds or economic resources may be directly or indirectly made available to or for the benefit of those parties.

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¹ [Council Decision 2011/628/CFSP](#) of 23 September 2011 amending [Council Decision 2011/273/CFSP](#) concerning restrictive measures against Syria, [2011] OJ L 247/17.

² [Council Regulation \(EU\) No 950/2011](#) of 23 September 2011 amending Regulation (EU) No 442/2011 concerning restrictive measures in view of the situation in Syria, [2011] OJ L 247/3.

³ [Council Regulation \(EU\) No 442/2011](#) of 9 May 2011 concerning restrictive measures in view of the situation in Syria, [2011] OJ L 121/1.

⁴ More specifically, Annex II of Regulation 950/2011 introduces a new list of relevant products featured in Annex IV of Regulation 442/2011 which does not include products falling under HS code 2711 (but still contains products under HS codes 2709 00, 2710, 2712, 2713, 2714 and 2715 00 00).