

Client Alert

International Trade

19 June 2012

EU implements new sanctions against Syria targeting the supply of internal repression products and luxury goods

I. Introduction

On 15 June 2012, the Council of the European Union (EU) adopted **Regulation 509/2012¹** which implements the additional restrictions against Syria imposed by the Council on 23 April 2012 and amends Regulation 36/2012² to this effect. In this new Regulation, the Council specifies which products are covered by the new ban on the supply of equipment, goods and technology that might be used for internal repression, and the new ban on the supply of luxury goods.

Regulation 509/2012 entered into force on 17 June 2012 and applies, as before, to the **EU territory** (including its airspace), to **nationals of EU Member States** (including those located outside the EU), and on board any **vessel or aircraft under Member State jurisdiction**. The Regulation also applies to **companies incorporated or doing business in whole or in part in a Member State**. This means that non-EU companies could be covered, depending on the particular circumstances under which they perform business activities in the EU and how they are connected to any activities restricted by the Regulation.

For a description of the other features of the EU's Syria sanctions regime, see our previous alerts from [15 May](#), [25 April](#), [27 March](#), [29 February](#), [25 January](#) and [20 January 2012](#).

II. Restrictions related to the supply of equipment, goods and technology used for internal repression

The new Regulation clarifies the scope of the expanded ban on the supply, transfer or export of equipment, goods and technology which might be used for internal repression to any Syrian party or for use in Syria (introduced by Council Decision CFSP/2012/206 in April), also including items for the manufacture or maintenance of such products. The items covered by this ban are listed in the new **Annex IA** to Regulation 36/2012, and comprise goods, software and technology also listed in Annex I to the EU's Dual-Use Regulation.³ The origin of the items is irrelevant. The provision of related technical assistance, brokering services or financial assistance is also prohibited.

However, Member State authorities can grant an authorisation for the supply of the items listed in Annex IA (such as certain chemicals, genetic elements



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¹ [Council Regulation \(EU\) No 509/2012 of 15 June 2012 amending Regulation \(EU\) No 36/2012 concerning restrictive measures in view of the situation in Syria](#)

² [Council Regulation \(EU\) No 36/2012 of 18 January 2012 concerning restrictive measures in view of the situation in Syria and repealing Regulation \(EU\) No 442/2011](#); this consolidated version does not reflect the changes introduced by [Regulation 410/2012](#).

³ The current version of Annex I can be found in [Regulation \(EU\) No 388/2012 of the European Parliament and of the Council of 19 April 2012](#) amending Council Regulation (EC) No 428/2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items.

or genetically modified organisms), or for the supply of related technical assistance or brokering services, provided that these are for food, agricultural, medical or humanitarian purposes.

Transactions involving **other items that might be used for internal repression or for the manufacture or maintenance of such products as listed in Annex IX are also restricted**. The sale, supply, transfer or export of these items to Syrian parties or for use in Syria, as well as the supply of related technical assistance, brokering services or financial assistance, is subject to **prior authorisation** by the EU Member State authorities.

II. Ban on the supply of luxury goods

A new **Annex X** to Regulation 36/2012 is introduced to list the specific luxury goods for which sale, supply, transfer or export to Syria is prohibited.

Goods subject to this ban include, among others, caviar, truffles, perfumes, tobacco products, wines and spirits, precious and semi-precious stones, garments, clothing accessories and shoes, and luxury vehicles. For most listed products, the **ban only applies where the sales price exceeds a specific level**. The sale, supply, transfer or export of wines and spirits will for example only be prohibited for bottles exceeding a sale price of EUR 50 per litre (i.e. EUR 35 for a normal bottle). The threshold price for cosmetic products is set at EUR 70 per item, while garments, clothing accessories and shoes are only subject to restrictions where the sale price exceeds EUR 600 per item. The ban does not apply to goods of a non-commercial nature, for personal use, contained in travellers' luggage.

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