

**COMMISSION REGULATION (EC) NO 667/2005**

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**BURMA/MYANMAR**

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**Legislative Background**

1. On 22 May 2000, the Council of the European Union adopted Council Regulation (EC) No 1081/2000 which, inter alia, had the effect of freezing the funds, financial assets and economic resources of certain individuals related to important governmental functions in Burma. All such targeted persons were listed in Annex II of that Regulation. Regulation (EC) No 1081/2000 was published in the Official Journal of the European Union on 24 May 2000 (O.J. L122, p.29). The list of those targeted persons was subsequently extended by Commission Regulation (EC) No 1883/2002 dated 22 October 2002, Commission Regulation (EC) No 1070/2003 dated 20 June 2003 and Commission Regulation (EC) No 2297/2003 dated 23 December 2003.
2. On 26 April 2004, the Council of the European Union adopted Council Regulation (EC) No 798/2004 which, inter alia, amended and extended Annex II of Regulation (EC) No 1081/2000 by replacing it with Annex III to Regulation (EC) No 798/2004. The Regulation replaced Regulation (EC) No 1081/2000 following its expiry on 29 April 2004 with effect from 30 April 2004. Regulation (EC) No 798/2004 was published in the Official Journal of the European Union on 28 April 2004 (O.J. L125, p.4).
3. On 25 October 2004, the Council of the European Union adopted Council Regulation (EC) No 1853/2004 which amended Regulation (EC) No 798/2004 to introduce a ban on the financing of certain Burmese state-owned enterprises. All such Burmese state-owned enterprises were listed in the Annex to that Regulation, which became Annex IV to Regulation (EC) No 798/2004. Regulation (EC) No 1853/2004 was published in the Official Journal of the European Union on 26 October 2004 (O.J. L323, p.11). The list of targeted state-owned enterprises was subsequently amended by Commission Regulation (EC) No 300/2005 dated 22 February 2005. Regulation (EC) No 300/2005 was published in the Official Journal of the European Union on 24 February 2005 (O.J. L51, p.13).

**Amending Legislation**

4. On 28 April 2005, the Commission of the European Communities adopted Commission Regulation (EC) No 667/2005 which renewed, amended and

extended the restrictive measures in Regulation (EC) No 798/2004. Annexes II and III to Regulation (EC) No 667/2005 replaced the lists of targeted persons and state-owned enterprises subject to the financial sanctions regime that were in Annexes III and IV to Regulation (EC) No 798/2004. Regulation (EC) No 667/2005 was published in the Official Journal of the European Union on 29 April 2005 (O.J. L108, p.35).

5. A copy of Regulation (EC) No 667/2005 is attached to this Notice. It may also be found on the Bank of England's website:  
<http://www.bankofengland.co.uk/sanctions>.

### **Targeted Accounts**

6. All funds belonging to the persons listed in Annex III to Regulation (EC) No 798/2004 as replaced by Annex II to Regulation (EC) No 667/2005, held by banks, building societies, stockbrokers, solicitors, accountants, etc. must be frozen. No funds or economic resources are to be made available directly or indirectly to or for the benefit of the listed persons.

### **Ban on financing**

7. (a) The granting of any financial loan or credit to Burmese state-owned enterprises as listed in Annex IV to Regulation (EC) No 798/2004 as replaced by Annex III to Regulation (EC) No 667/2005, or the acquisition of bonds, certificates of deposit, warrants or debentures, issued by these enterprises,

(b) The acquisition or extension of a participation in Burmese state-owned enterprises as listed in Annex IV to Regulation (EC) No 798/2004 as replaced by Annex III to Regulation (EC) No 667/2005, including the acquisition in full of such enterprises and the acquisition of shares and securities of a participating nature is prohibited.

The participation, knowingly and intentionally, in activities, the object or effect of which is, directly or indirectly, to circumvent paragraph (a) or (b) is also prohibited.

8. The prohibition in paragraph 7 is without prejudice to the execution of trade contracts for the supply of goods or services on usual commercial payment conditions and the usual supplementary agreements in connection with the execution of these contracts such as export credit insurances.
9. The provisions of paragraph 7(a) are without prejudice to the execution of an obligation arising from contracts or agreements concluded before the entry into force of Regulation (EC) No 1853/2004 on 26 October 2004.
10. The prohibition in paragraph 7(b) does not prevent the extension of a participation in the Burmese state-owned enterprises listed in Annex IV of the Regulation (EC) No 798/2004 as replaced by Annex III to Regulation (EC) No 667/2005, if such extension is compulsory under an agreement concluded with the Burmese state-owned enterprise concerned before the entry into force of Regulation (EC) No

1853/2004 on 26 October 2004. However, the Bank of England must be informed prior to any such transaction.

### **Provision of information**

11. All financial institutions and other bodies and persons in the UK are required to inform the Bank of England of all funds that they have frozen in accordance with Regulation (EC) No 798/2004, as amended. They must also provide the Bank of England with all relevant information necessary for ensuring compliance with Regulation (EC) No 798/2004, as amended.

### **Enquiries**

12. Enquiries concerning any matter contained in this Notice should be addressed to the Bank of England, Threadneedle Street, London, EC2R 8AH and marked for the attention of the Financial Sanctions Unit (FSU). Enquiries may also be made by facsimile transmission (020 7601 4309), by telephone (020 7601 4768/5811/4783/4328) or by email ([sanctions.unit@bankofengland.co.uk](mailto:sanctions.unit@bankofengland.co.uk)).

BANK OF ENGLAND  
3 May 2005