



REPUBLIC OF CYPRUS
MINISTRY OF
COMMUNICATIONS AND WORKS



DEPARTMENT
OF MERCHANT SHIPPING
LEMESOS

Circular No. 30/2012

4th July 2012

TEN 5.13.09
TEN 4.2.12.3.11

To all Registered owners, Registered bareboat charterers
Managers and Representatives of ships flying the Cyprus Flag

Subject: Implementation of EU instruments adopted in June 2012 concerning restrictive measures against Syria

1. I refer to the above subject and further to my Circulars No. 33/2011, No. 38/2011 and No. 13/2012, I wish to inform you of the adoption by the European Union on 15, 20 and 25 June 2012 respectively of the following instruments concerning restrictive measures against Syria:
 - ***EU Council Regulation (EU) no. 509/2012, amending EU Council Regulation (EU) no. 36/2012;***
 - ***EU Council Regulation (EU) no. 2012/544/CFSP, amending EU Council Regulation (EU) no. 36/2012;***
 - ***EU Council Regulation (EU) no. 545/2012, amending EU Council Regulation (EU) no. 36/2012;***
 - ***EU Council Decision 2012/322/CFSP amending Decision 2011/782/CFSP;***
 - ***EU Council Decision 2012/335/CFSP amending Decision 2011/782/CFSP.***

2. The aforesaid EU instruments introduce additional restrictive measures against Syria , which in a nutshell provide for the following :
 - Prohibition of transportation;
 - Restrictions on Insurance and re-insurance;
 - Listing of Syrian entities.

It should be noted that only the aspect of the prohibition of transportation is of the competence of this Department. The matter of the restrictions on insurance and re-insurance and of the listing of entities are not within the competence of this Department, as other government agencies of the Republic are responsible for their implementation. Nevertheless, the provision of information by this Department to the Cyprus shipping industry on these additional two aspects is also deemed necessary and is done on a preventive –precautionary basis .

I/ PROHIBITION OF TRANSPORTATION

(A) Equipment and goods as listed in Annex IA of EU Council Regulation (EU) No. 36/2012, as amended.

(A.1.) Prohibition:

The transportation by Cyprus ships to any person, entity or body in Syria or for use in Syria of equipment and goods which might be used for internal repression or for the manufacture and maintenance of products which might be used for internal repression, as listed in **Annex IA of EU Council Regulation (EU) No. 36/2012, as amended**, whether or not originating in the European Union is prohibited.

(A.2.) Exemption:

The competent authorities of the Republic of Cyprus, may grant, under such terms and conditions as they deem appropriate, an authorisation for a transaction in relation to equipment and goods as listed in **Annex IA of EU Council Regulation (EU) No. 36/2012, as amended**, provided that the equipment and goods are for food, agricultural, medical or other humanitarian purposes.

(B) Equipment and goods as listed in Annex IX of EU Council Regulation (EU) No. 36/2012, as amended.

(B.1.) Transportation subject to previous authorisation:

The transportation by Cyprus ships to any person, entity or body in Syria or for use in Syria of equipment and goods which might be used for internal repression or for the manufacture and maintenance of products which might be used for internal repression, as listed in **Annex IX of EU Council Regulation (EU) No. 36/2012, as amended**, whether or not originating in the European Union shall be effected provided that an authorisation is obtained.

(B.2.) Granting of authorisation:

The competent authorities of the Republic of Cyprus may authorise the transportation of such equipment, unless they have reasonable grounds to determine that the equipment and goods in question is or might be used for internal repression or for the manufacture and maintenance of products which might be used for internal repression.

The authorisation shall be granted by the competent authorities of the Member State where the exporter is established and shall be in accordance with the detailed rules laid down in Article 11 of Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items. The authorisation shall be valid throughout the European Union.

(C) Luxury goods

(C.1.) Prohibition:

The transportation by Cyprus ships to any person, entity or body in Syria or for use in Syria of luxury goods as listed in **Annex X of EU Council Regulation (EU) No. 36/2012, as amended**, is prohibited.

(C.2.) Exemption:

By way of derogation the prohibition referred to above shall not apply to goods of a non-commercial nature, for personal use, contained in travellers' luggage.

It is worth noting that the EU Council has issued on the 15th June 2012 a press release regarding the recent ban on transportation of luxury goods and dual use goods to Syria as described above. The press release contains examples of goods the transportation of which is prohibited. Copy of this is attached to the present Circular for your reference.

It is recalled that a new prohibition Order to be issued under section 3 of the Cyprus Ships (Prohibition of Transportation) Laws 1966-1971, reflecting and consolidating the recent restrictive measures scheme as prescribed by EU Council Decision 2011/782/CFSP, as amended, as well by EU Council Regulation (EU) no. 36/2012, as amended, will be published in the Official Gazette of the Republic in the forthcoming days.

III/ RESTRICTIONS ON INSURANCE AND RE-INSURANCE

(A) Insurance and reinsurance for transportation of goods and items

Your attention is also drawn to the fact that pursuant to **Article 3 (c) of EU Council Regulation (EU) no. 36/2012 (as now amended by EU Council Regulation (EU) no. 545/2012)** it is prohibited to provide any insurance or reinsurance for any transfer (transportation of goods and items listed in the Common Military List or in **Annex I or Annex IA of EU Council Regulation (EU) no. 36/2012, as amended**, to any person entity or body in Syria or for use in Syria.

It is also prohibited to participate knowingly and intentionally in activities the object or effect of which is to circumvent the above prohibition of **Article 3 (c)**.

(B) Insurance and reinsurance for transportation of crude oil or petroleum products

According to **Article 6 of EU Council Regulation (EU) no. 36/2012, as amended**, it shall be prohibited to provide insurance and reinsurance related to the transportation of crude oil or petroleum products if they originate in Syria, or are being exported from Syria to any other country.

(C) Insurance

(C.1.) Prohibition:

According to **Article 26 of EU Council Regulation (EU) no. 36/2012, as amended**, it shall be prohibited to provide insurance or re-insurance, to or

participate in activities the object or effect of which is to circumvent such prohibition:

- a. the State of Syria or its Government, and its public bodies, corporations and agencies;
- b. any natural person or legal person, entity or body when acting on behalf or at the direction of a legal person, entity or body referred to in (a)

(C.2.) Exemptions:

- i. Point (a) above shall not apply to the provision of compulsory or third party insurance to Syrian persons, entities and bodies based in the European Union, nor to the provision of insurance for Syrian diplomatic or consular missions in the European Union.
- ii. Point (b) above shall not apply to the provision of insurance or re-insurance to the owner of a vessel chartered by a person, entity or body referred to in point (a) above and which is not listed in **Annex II** or **IIA**.

For the purpose of point (c) above, a person, entity or body shall not be considered to act at the direction of a person, entity or body referred to in points (a) and (b) above where that direction is for the purposes of docking, loading, unloading or safe transit of a vessel temporarily in Syrian waters.

Article 26 of EU Council Regulation (EU) no. 36/2012, as amended, prohibits the extension or renewal of insurance and re-insurance agreements concluded before 19 January 2012, but, without prejudice to Article 14(2) thereof, it does not prohibit compliance with agreements concluded before that date.

III/ LISTING OF SYRIAN ENTITIES

Your attention is also drawn to the fact that the recently adopted EU instruments added as a new listed entity the ***Syrian Company for Oil Transport (SCOT or SCOTRACO)***.

Such company, as well as companies originally listed, such as **inter alia** : the *Syria Trading Oil Company (Sytrol)*, the *General Petroleum Corporation (GPC)*, the *Al Furat Petroleum Company*, the *Deir ez-Zur Petroleum Company*, the *Ebla Petroleum Company*, the *Dijla Petroleum Company* , the *Syrian Petroleum Company* and the *Mahrakat Company (The Syrian Company for the Storage and Distribution of Petroleum Products)* are subjected to the freezing of their assets and economic resources pursuant to Articles 14 and 15 of **EU Council Regulation (EU) No 36/20122, as amended** .

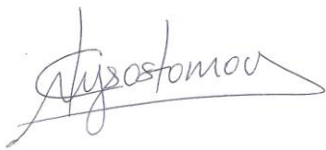
As the above-mentioned entities may be eventually involved in shipping transactions, it is therefore imperative that all recipients of the present Circular, check thoroughly the lists of persons and entities subject to the restrictive measures before entering into any transaction.

3. The text of the aforesaid **EU instruments** is obtainable from <http://eur-lex.europa.eu/>.

A regularly updated list of all the European Union restrictive measures in force can be found at http://eeas.europa.eu/cfsp/sanctions/docs/measures_en.pdf

4. The above-mentioned EU instruments have a direct effect and are binding on ship owners / ship operators and any violation may expose them to relevant penalties under the Cyprus legislation. All recipients of the present Circular are invited to take note of its content and should strictly abide by the provisions of the aforementioned EU Instruments.

This Circular must be placed on board vessels flying the Cyprus flag.



Andreas Chrysostomou
Acting Director
Department of Merchant Shipping

- Cc:** - Acting Permanent Secretary, Ministry of Communications and Works
-Attorney General of the Republic
-Permanent Secretary, Ministry of Foreign Affairs
-Permanent Secretary, Ministry of Defence
-Permanent Secretary, Ministry of Justice and Public Order
- Diplomatic Missions and Honorary Consular Officers of the Republic
- Maritime Offices of the Department of Merchant Shipping abroad
- General Manager, Cyprus Ports Authority
- Director, Department of Customs and Excise
- Registrar of Companies
- Commander, Cyprus Marine Police
- Cyprus Shipping Chamber
- Cyprus Union of Shipowners
- Cyprus Shipping Association
- Cyprus Bar Association



**COUNCIL OF
THE EUROPEAN UNION**



Luxembourg, 15 June 2012
11222/12
PRESSE 263

Syria: EU sanctions regarding luxury and dual use goods to apply from 17 June

The Council today approved implementing rules on certain EU sanctions against Syria: the ban on exports of luxury goods and of additional dual use goods to Syria. Today's decision identifies the items covered by these measures and will ensure that they enter into force on 17 June.

The measures concern in particular certain additional equipment, goods and technology that may be used for manufacturing and maintaining goods that may be used for internal repression. The export to Syria of such items is prohibited or will require prior authorisation. In addition, today's decision defines which luxury goods are subject to an export ban from the EU to Syria.

Catherine Ashton, EU High Representative for Foreign Affairs and Security Policy, said: *"In the current situation, the EU must keep up the pressure on the Syrian regime. EU sanctions target those responsible for the appalling repression and violence against the civilian population. We have carefully calibrated today's decisions to avoid affecting the Syrian people. We strongly support them in this time of suffering."*

The regulation adopted today, together with a full list of the items in question, will be published in tomorrow's edition of the EU Official Journal. Examples of the goods concerned can be found below.

For more information on EU sanctions against the Syrian regime, see [factsheet European Union and Syria](#).

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Examples of goods covered by today's decisions

Luxury goods include:

- caviar, truffles, and cigars with a sales price exceeding EUR 10 per item;
- wines and spirits with a sales price exceeding EUR 50 per litre;
- leather goods (sales price above EUR 200), garments and shoes (items above EUR 600), jewellery, gems and pearls;
- tableware, clocks and watches (above EUR 500), lead crystal glassware (above EUR 200);
- luxury vehicles, planes and boats. New vehicles from EUR 25.000.

Dual use goods that may not be exported to Syria include:

- protection and detection equipment, for example gas masks and protective suits;
- chemical manufacturing facilities, such as reaction vessels and storage tanks;
- chemicals that may be used as precursors for toxic chemical agents;
- human, animal and plant pathogens, i.e. certain viruses, bacteria and toxins.

Dual use goods subject to authorisation for export to Syria include:

- further chemicals and toxins;
- additional laboratory equipment and chemical manufacturing facilities, such as certain valves or vacuum pumps;
- technology and software required for the development, production or use of goods requiring authorisation for export to Syria.