

L.N. 169 of 2014

**NATIONAL INTEREST (ENABLING POWERS) ACT
(CAP. 365)**

**Enforcement of European Union Sanctions (State of Libya
formerly known as Libyan Arab Jamahirija) Regulations, 2014**

IN exercise of the powers conferred by article 3(2) of the National Interest (Enabling Powers) Act, the Prime Minister has made the following regulations:-

1. The title of these regulations is the Enforcement of European Union Sanctions (State of Libya formerly known as Libyan Arab Jamahirija) Regulations, 2014. Citation.
2. In these regulations, unless the context otherwise requires - Interpretation.

"the Act" means the National Interest (Enabling Powers) Act; Cap. 365.

"the Council Regulations" means the Council Regulations referred to in regulation 3, any amendment thereto and any repealing Regulation;

"Monitoring Board" means the Board established under regulation 2 of the Sanctions (Monitoring Board) Regulations; S.L. 365.08

"the Treaty" means the Treaty referred to in article 2 of the European Union Act. Cap. 460.
3. These regulations apply to the European Council Regulation (EC) No. 3275/93 of 29 November, 1993, prohibiting the satisfying of claims with regards to contracts and transactions the preference of which was affected by the United Nations Security Council Resolution 883 (1993) and related resolutions, which text is contained in the Schedule to these regulations. Text of European Council Regulation No. 3275/93.
4. For the purposes of article 3 of the European Union Act, the Council Regulation is binding in its entirety in Malta and shall be part of the domestic law thereof under the conditions laid down in the Treaty. Applicability of the European Union Act. Cap. 460.
5. (1) Where any provision of any regulation made under the Act requires any person or any other entity to carry out the identification of funds or assets belonging to or in the possession of persons or entities as may be identified or identifiable under these regulations, or the freezing or blocking of such funds or assets, such person or entity shall without delay notify in writing any relevant information it may have regarding persons, entities, assets or funds Notification about freezing of assets.

affected by these regulations to the Monitoring Board, or to such other public authority as may be prescribed by any other law.

Cap. 377. (2) The disclosure of any information within the terms and requirements of this regulation shall not constitute a breach of the Professional Secrecy Act, where applicable, or of any other confidentiality obligation arising from a contract or any other law.

Cap. 9. (3) Whosoever fails to abide by the provisions of sub-regulation (1) shall be guilty of an offence as is referred to in article 4 of the Criminal Code.

Corporate liability. **6.** (1) Where an offence against any provision of the Council Regulation, to which these regulations apply, or against these regulations is committed by a body of persons, whether corporate or unincorporate, every person who, at the time of the commission of the offence, was a director, manager, secretary or other similar officer of such body or association, or was purporting to act in any such capacity, shall be guilty of that offence unless he proves that the offence was committed without his knowledge and that he exercised all due diligence to prevent the commission of the offence.

Cap. 9. (2) Where the person found guilty of an offence under these regulations is an officer of a body corporate as is referred to in article 121D of the Criminal Code or is a person having a power of representation or having such authority as is referred to in that article and the offence of which that person was found guilty was committed for the benefit, in part or in whole, of that body corporate, the said person shall for the purposes of these regulations be deemed to be vested with the legal representation of the same body corporate which shall be liable to the payment of a fine of not less than five thousand euro (€5,000) and not more than one hundred and sixteen thousand four hundred and sixty-eight euro (€116,468).

Penalty. **7.** Any person who commits an offence against any provision of the Council Regulation to which these regulations apply, or against these regulations shall, on conviction, be liable to imprisonment for a term from twelve months to five years or to a fine (*multa*) not exceeding one hundred and sixteen thousand four hundred and sixty-eight euro (€116,468), or to both such imprisonment and fine.

SCHEDULE

(Regulation 3)

COUNCIL REGULATION (EC) No 3275/93
of 29 November 1993

prohibiting the satisfying of claims with regard to contracts and transactions the performance of which was affected by the United Nations Security Council Resolution 883 (1993) and related resolutions

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 228a thereof,

Having regard to the common position adopted by the Council of the European Union on 22 November 1993,

Having regard to the proposal of the Commission,

Whereas, under Regulation (EEC) No 945/92,^{*} and (EC) No 3274/93 the Community has taken measures to prevent certain trade between the Community and Libya;

Whereas, as a consequence of the embargo against Libya, the economic operators in the Community and third countries are exposed to the risk of claims by Libya;

Whereas the United Nations Security Council has adopted Resolution 883 (1993) of 11 November 1993 which, in its paragraph 8, deals with claims by Libya in relation to contracts and transactions the performance of which was affected by measures imposed by the Security Council pursuant to Resolution 883 (1993) and related resolutions;

Whereas it is necessary to protect operators permanently against such claims and to prevent Libya from obtaining compensation for the negative effects of the embargo;

Whereas the Community has agreed that Libya must comply in full with the provisions of paragraph 8 of United Nations Security Council Resolution 883 (1993) and considers that, in deciding whether to reduce or lift measures taken against Libya, particular account must be taken of any failure by Libya to comply with paragraph 8 of Resolution 883 (1993),

HAS ADOPTED THIS REGULATION:

* OJ No L 101, 15. 4. 1992, p. 53.

Article 1

For the purposes of this Regulation:

1. 'contract or transaction' means any transaction of whatever form and whatever the applicable law, whether comprising one or more contracts or similar obligations made between the same or different parties; for this purpose 'contract' includes a bond, financial guarantee and indemnity or credit whether legally independent or not and any related provision arising under or in connection with the transaction;

2. 'claim' means any claim, whether asserted by legal proceedings or not, made before or after the date of entry into force of this Regulation, under or in connection with a contract or transaction, and in particular includes:

(a) a claim for performance of any obligation arising under in connection with a contract or transaction;

(b) a claim for extension or payment of a bond, financial guarantee or indemnity of whatever form;

(c) a claim for compensation in respect of a contract or transaction;

(d) a counter-claim;

(e) a claim for the recognition or enforcement, including by the procedure of exequatur, of a judgment, an arbitration award or an equivalent decision, wherever made or given;

3. 'measures decided on pursuant to United Nations Security Council Resolution 883 (1993) and related resolutions' means measures of the United Nations Security Council or measures introduced by the European Communities or any State, country or international organization in conformity with, as required by, or in connection with the implementation of relevant decisions of the United Nations Security Council, or any action authorized by the United Nations Security Council, in respect of the prevention of certain trade with Libya;

4. 'person or body in Libya' means

(a) the Libyan State or any public authority thereof;

(b) any Libyan national;

(c) any body having its registered office or headquarters in Libya;

(d) any body controlled, directly or indirectly, by one or more of the abovementioned persons or bodies;

(e) any person claiming through or for the benefit of any person or body mentioned under (a), (b), (c) or (d) above.

Without prejudice to Article 2, performance of a contract of transaction shall also be regarded as having been affected by measures decided on pursuant to United Nations Security Council Resolution 883 (1993) and related resolutions where the existence or content of the claim results directly or indirectly from those measures.

Article 2

1. It shall be prohibited to satisfy or to take any step to satisfy a claim made by:

(a) a person or body in Libya or acting through a person or body in Libya;

(b) any person or body acting, directly or indirectly, on behalf of or for the benefit of one or more persons or bodies in Libya;

(c) any person or body taking advantage of a transfer or rights of, or otherwise claiming through or under, one or more persons or bodies in Libya;

(d) any other person or body referred to in paragraph 8 of United Nations Security Council Resolution 883 (1993);

(e) any person or body making a claim arising from or in connection with the payment of a bond or financial guarantee or indemnity to one or more of the abovementioned persons or bodies,

under or in connection with a contract or transaction the performance of which was affected, directly or indirectly, wholly or in part, by the measures decided on pursuant to United Nations Security Council Resolution 883 (1993) and related resolutions.

2. The prohibition referred to in paragraph 1 shall apply within the Community and to any national of a Member State and any body which is incorporated or constituted under the law of a Member State.

Article 3

Without prejudice to the measures decided on pursuant to United Nations Security Council Resolution 883 (1993) and related resolutions, Article 2 shall not apply:

(a) to claims relating to contracts or transactions, with the exception of any bond, financial guarantee or indemnity, in respect of which the persons or bodies referred to in the said Article prove to a court in a Member

State that the claim was accepted by the parties prior to the adoption of the measures decided on pursuant to United Nations Security Council Resolution 883 (1993) and related resolutions, and that those measures have had no effect on the existence or content of the claim;

(b) to claims for payment under an insurance contract in respect of an event occurring prior to the adoption of the measures referred to in Article 2 or under an insurance contract where such insurance is compulsory under the law of a Member State;

(c) to claims for payment of sums paid into an account payment from which was blocked pursuant to the measures referred to in Article 2 provided that such payment does not concern sums paid under bonds in respect of contracts referred to in the said Article;

(d) to claims relating to contracts of employment subject to the law of any Member State;

(e) to claims for payment for goods which the persons or bodies referred to in Article 2 prove to a court in a Member State were exported prior to the adoption of the measures decided on pursuant to United Nations Security Council Resolution 883 (1993) and related resolutions and that those measures have had no effect on the existence or content of the claim;

(f) to claims for sums which the persons or bodies referred to in Article 2 prove to a court in a Member State are due under any loan made prior to the adoption of the measures decided on pursuant to United Nations Security Council Resolution 883 (1993) and related resolutions and that those measures have had no effect on the existence or content of the claim,

provided that the claim includes no amount, by way of interest, charge or otherwise, to compensate for the fact that performance was, as a result of those measures, not made in accordance with the terms of the relevant contract or transaction.

Article 4

In any proceedings for the enforcement of a claim, the onus of proving that satisfying the claim is not prohibited by Article 2 shall be on the person seeking the enforcement of that claim.

Article 5

Each Member State shall determine the sanctions to be imposed where the provisions of this Regulation are infringed.

Article 6

This Regulation shall enter into force on the day of its publication in the Official Journal of the European Communities.

It shall apply as of 1 December 1993, 00.01 hours Eastern Standard Time in New York.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 29 November 1993.

For the Council
The President
G. COËME

