



Libyan British Business Council

14 March 2011

Dear Colleague,

You may welcome a supplement to the summary I circulated on 7 March of international and UK measures now governing bilateral business relations with Libya.

On 3 March, Parliament approved The Libya (Asset-Freezing) Regulations 2011¹ providing for enforcement of Council Regulation (EU) No 204/2011². The Regulations assert the prohibitions of the Council Regulation, provide a licensing procedure to enable funds and economic resources to be exempted but create offences when prohibitions are contravened and set penalties (up to two years imprisonment, a fine or both on conviction on indictment; up to three months imprisonment, a fine or both on summary conviction).

On 10 March, the European Council adopted Council Implementing Regulation (EU) No 233/2011 adding Mustafa Zarti and five Libyan entities to the list of those affected by EU sanctions. The institutions concerned are:

Central Bank of Libya (CBL)
Libya Africa Investment Portfolio
Libyan Foreign Bank
Libyan Housing & Infrastructure Board (HIB); and
Libyan Investment Authority (LIA, 'aka The Libyan Arab Foreign Investment Company, LAFICO')

The list still excludes the National Oil Corporation (NOC) and the advice Lord Green gave us on 9 March on paying the NOC for Libyan oil exports therefore presumably still stands.

On 11 March, HM Treasury issued a Financial Sanctions Notice³ drawing attention to the further persons and entities designated by Council Implementing Regulation (EU) No 233/2011. The Notice adds,

¹ <http://www.legislation.gov.uk/ukxi/2011/605/contents/made>

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:058:0001:0013:EN:PDF>

³ http://www.hm-treasury.gov.uk/d/fin_sanc_public_notice110311.pdf

“The Treasury are also able to authorise the release of or making available of certain funds or economic resources, if they have determined that the funds or economic resources concerned are intended exclusively to satisfy claims secured by a lien or judgment established prior to the date the person was listed in Annex II or Annex III to Regulation 204/2011 provided the lien or judgment is not for the benefit of a designated person or contrary to public policy and provided the UN or EU has been notified of the lien or judgment [.....] If you are unsure as to whether a particular transaction or activity requires a licence then you may apply to the Treasury. It will be necessary to provide full details of the transaction together with all available information relating to its ownership/control and, in particular, any issues of concern about control”.

Members wishing to seek a licence should approach the Asset Freezing Unit, HM Treasury, 1 Horse Guards Road, London SW1A 2HQ (E-mail: AFU@hmtreasury.gsi.gov.uk Telephone: 020 7270 5454). You may also like to note that all relevant UK and EU regulations are listed on HM Treasury’s website at http://www.hm-treasury.gov.uk/fin_sanctions_libya.htm

But this does not record US measures which may also have a bearing on some members’ business. In that case, you should see <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/libya.aspx>

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The information contained in this summary is intended to be a general guide only and not to be comprehensive, nor to provide legal advice. You should not rely on the information contained in this summary as if it were legal or other professional advice.

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