



EUROPEAN
COMMISSION

HIGH REPRESENTATIVE OF THE
EUROPEAN UNION FOR FOREIGN AFFAIRS
AND SECURITY POLICY

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2011/0467 (NLE)

Joint Proposal for a

COUNCIL REGULATION

**amending Regulation (EU) No 204/2011 concerning restrictive measures in view of the
situation in Libya**

EXPLANATORY MEMORANDUM

- (1) On 2 March 2011, the Council adopted Regulation (EU) No 204/2011 imposing restrictive measures in view of the situation in Libya in order to give effect to UN Security Council Resolution 1970 (2011). In accordance with UN Security Council Resolution 1973 (2011) of 17 March 2011, the assets of the Central Bank of Libya and the Libyan Arab Foreign Bank were frozen under Regulation (EU) n° 233/2011.
- (2) On 15 September 2011, the UN Security Council adopted Resolution 2009 (2011) to promote Libya's recovery from its recent conflict and begin unwinding some of the sanctions imposed under UNSCR 1970 and successive resolutions. UNSCR 2009 provides for a transparent and responsible unfreezing of certain frozen funds in order to support the resumption of economic activity.
- (3) On 16 December 2011 the UN Security Council decided to lift the restrictive measures on the Central Bank of Libya and the Libyan Arab Foreign Bank, which it had imposed by Resolution 1973(2011) of 17 March 2011. The Council is preparing a CFSP Decision to endorse this UN decision.
- (4) These measures fall within the scope of the Treaty on the Functioning of the European Union and, therefore, notably with a view to ensuring their uniform application by economic operators in all Member States, regulatory action at the level of the Union is necessary in order to implement them.
- (5) The High Representative for Foreign Affairs and Security Policy and the European Commission therefore propose to terminate the corresponding restrictive measures laid down in Council Regulation (EU) No 204/2011 concerning restrictive measures in view of the situation in Libya.

Joint Proposal for a

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amending Regulation (EU) No 204/2011 concerning restrictive measures in view of the situation in Libya

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 215 thereof,

Having regard to Council Decision 2011/.../CFSP of ... 2011 amending Council Decision 2011/137/CFSP concerning restrictive measures in view of the situation in Libya¹,

Having regard to the joint proposal from the High Representative of the Union for Foreign Affairs and Security Policy and the European Commission,

Whereas:

- (1) On 2 March 2011, and further to Council Decision 2011/137/CFSP, the Council adopted Regulation (EU) No 204/2011 concerning restrictive measures in view of the situation in Libya². Regulation (EU) No 204/2011 provides in particular for the freezing of funds and economic resources of the Central Bank of Libya and the Libyan Arab Foreign Bank.
- (2) In light of UNSCR 2009 (2011), and further to Decision 2011/625/CFSP, Regulation (EU) No 965/2011 provides in particular for adjustments to the assets freeze of certain Libyan entities in order to support Libya's economic recovery.
- (3) By means of its decision of 16 December, the UN Security Council decided that the measures concerning the Central Bank of Libya and Libyan Arab Foreign Bank should be terminated. In line with Decision 2011/.../CFSP the relevant provision of Regulation (EU) No 204/2011 should therefore be amended,
- (4) These measures fall within the scope of the Treaty on the Functioning of the European Union and, therefore, in particular with a view to ensuring their uniform application by economic operators in all Member States, regulatory action at the level of the Union is necessary in order to implement them.
- (5) In order to ensure that the measures provided for in this Regulation are effective, this Regulation must enter into force immediately,

¹ OJ L ..., ...2011, p. ...

² OJ L 58, 3.03.2011, p. 1.

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EU) No 204/2011 is amended as follows:

Article 5 (4) is replaced by the following:

“4. All funds and economic resources belonging to, owned, held or controlled on 16 September 2011 by:

- (a) Libyan Investment Authority; and
- (b) Libyan Africa Investment Portfolio,

and located outside Libya on that date shall remain frozen.”

Article 2

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

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

Done at Brussels,

For the Council
The President