

**FOR
INFORMATION**

EBD/21/34

September 7, 2021

To: Members of the Executive Board

From: The Secretary

Subject: **Switzerland—Notification of Restrictions Under Executive Board
Decision No. 144–(52/51)**

Board Action: Executive Directors' **information**

Additional information: The Secretary has received the attached communications dated September 1, 2021 from the Office of the Executive Director for Switzerland.



OFFICE MEMORANDUM

To: The Secretary

September 1, 2021

From: Marcel Peter

Subject: **Switzerland - Notification of Restrictions under Executive Board Decision No. 144-(52/51)**

My authorities have asked me to inform the Fund, in accordance with Executive Board Decision 144-(52/51), of the following restrictions that Switzerland maintains on certain payments and transfers for current international transactions, solely for the preservation of national and international security.

In Switzerland, the Federal Act on the Implementation of International Sanctions (Embargo Act, EmbA; CC 946.231) is the legal basis for adopting coercive measures (asset freezes, transfer prohibitions) to implement sanctions imposed by the United Nations (UN), the Organisation for Security and Cooperation in Europe (OSCE), or Switzerland's major trading partners, aiming to restore compliance with international public law, and in particular the respect for human rights. Such measures are adopted in the form of ordinances of the Federal Council (the Swiss government).

In implementation of UN Security Council resolutions, Switzerland maintains certain restrictions with respect to:

- (1) certain individuals and entities associated with the former government of **Iraq** and certain guarantees related to contracts affected by the UN sanctions regime against Iraq (Ordinance of August 7, 1990, as amended);
- (2) certain individuals and entities engaged in the **Democratic People's Republic of Korea's** nuclear-related, ballistic-missile-related, and other weapons-of-mass-destruction-related programs as well as financing and financial services related to the provision and acquisition of arms, dual-use and other prohibited items to the Democratic People's Republic of Korea, as well as financial support of trade relations and the trading of certain commodities, e.g. charcoal, as well as for banking activities in Switzerland and the Democratic People's Republic of Korea, as well as maintaining joint ventures with the Democratic People's Republic of Korea as well as certain guarantees related to contracts affected by the UN sanctions regime against the Democratic People's Republic of Korea, as well as certain contracts related to Swiss registered vessels and aircraft, as well as providing insurance or reinsurance related to certain vessels (Ordinance of May 18, 2016, as amended);
- (3) financing of and financial services related to the provision of arms and related material to **Lebanon** (Ordinance of November 1, 2006, as amended);

(4) certain individuals and entities impeding the peace process in **Sudan** as well as financing and financial assistance related to the provision of arms and related material (Ordinance of May 25, 2005, as amended);

(5) certain individuals and entities associated with **Osama bin Laden, Al-Qaida, and the Taliban** (Ordinance of October 2, 2000, as amended);

(6) certain individuals and entities posing a threat to peace and security in **Somalia** as well as financing and financial services related to the provision of arms and related material, related to military activities in Somalia, and related to the trade in charcoal (Ordinance of May 13, 2009, as amended);

(7) certain individuals and entities posing a threat to peace and security in the **Central African Republic** as well as financing and financial services related to the provision of arms and related material, and to military activities in the Central African Republic (Ordinance of March 14, 2014, as amended);

(8) certain individuals and entities posing a threat to peace and security in **Yemen** as well as financing and providing financial assistance related to the provision of arms and related material, and to military activities in Yemen (Ordinance of December 5, 2014, as amended); and

(9) certain individuals and entities posing a threat to peace and security in **Mali** (Ordinance of November 22, 2017, as amended).

In implementation of UN Security Council resolutions and in accordance with EU regulations, Switzerland maintains restrictions against:

(1) certain individuals and entities involved in the nuclear and/or ballistic missile programs of the **Islamic Republic of Iran**; financing and financial services related to the provision and acquisition of items and technologies connected with the ballistic missile programs; the provision of military and repression-related equipment; financing of surveillance technologies. There are licensing procedures for the financing and involvement in joint ventures related to nuclear technology and dual-use goods. There is a prohibition against honoring financial claims in connection with contracts affected by the sanctions against Iran (Ordinance of November 11, 2015, as amended);

(2) certain individuals and entities associated with the former regime in **Libya** and financing and financial services in connection with the provision of military and repression-related equipment; and a prohibition against honoring financial claims in connection with contracts affected by the sanctions against Libya (Ordinance of March 30, 2011, as amended);

(3) certain individuals associated with the military government of **Guinea-Bissau** (Ordinance of June 1, 2012, as amended);

(4) certain individuals and entities impeding the search for a sustainable peace in **South Sudan** as well as financing and financial assistance related to the provision of arms and related material, and to military activities in South Sudan (Ordinance of August 12, 2015, as amended); and

(5) certain individuals and entities posing a threat to international peace and security in the **Democratic Republic of the Congo** as well as financing and financial assistance related to the provision of arms and related material destined for nongovernmental individuals and entities and related to nongovernmental military activities in that country (Ordinance of June 22, 2005, as amended).

In accordance with EU regulations, Switzerland maintains certain restrictions with respect to

(1) certain individuals and entities associated with the government of **Belarus**; financial services in connection with the provision of arms and related material, repression-related items, surveillance technologies, certain dual-use goods and certain petroleum products; the issuance of financial instruments with a maturity of more than 90 days for the government of Belarus, certain entities, their subsidiaries located outside Switzerland or the EU, and for entities or organizations acting on behalf or by order of them; secondary trading of financial instruments issued by the above-mentioned entities; the granting of loans with a maturity of more than 90 days to the above-mentioned entities; insurance and re-insurance services for the government of Belarus and for entities or organizations acting on behalf or by order of them; and payments for claims by the government of Belarus or persons or entities in Belarus in connection with contracts or other transactions prevented or affected by the Belarus sanctions (Ordinance of August 11, 2021 as amended);

(2) certain individuals and entities associated with the government of **Myanmar**; financial services in connection with the provision of arms and related material, repression-related items, surveillance technologies, certain dual-use goods and military activities in Myanmar; and payments for claims by the government of Myanmar or persons or entities in Myanmar in connection with contracts or other transactions prevented or affected by the Myanmar sanctions (Ordinance of October 17, 2018, as amended);

(3) certain individuals and entities associated with the government of **Syria**; financing and financial services as well as providing or arranging insurance and reinsurance related to the provision of arms, related material, repression-related items, as well as related to oil and oil products; financing and certain investments related to the oil and gas industries and power plants; financing of surveillance technologies; financial services in connection with the provision of certain goods; supplying banknotes, coins, precious metals, and diamonds; buying and selling new government-issued or -guaranteed bonds; new banking relationships with Syrian banks; insurance and reinsurance services to the Syrian government and government-controlled companies;

honoring financial claims in connection with contracts affected by sanctions (Ordinance of June 8, 2012, as amended);

(4) certain individuals and entities associated with the government of **Zimbabwe** (Ordinance of March 19, 2002, as amended);

(5) certain individuals associated with the military government of **Guinea** (Ordinance of February 24, 2010, as amended);

(6) a notification requirement regarding financial services related to the export of certain dual-use goods in relation to the situation in the **Ukraine**; a prohibition of new business relationships and declaration requirements for existing business relationships for financial intermediaries regarding certain individuals and entities subject to financial sanctions within the EU as a result of the situation in Ukraine; an authorization requirement for the issuance of financial instruments with a maturity of more than 30 days for certain entities, their subsidiaries located outside Switzerland, and for entities or organizations acting on behalf or by order of them; a notification requirement for secondary trading of financial instruments issued by the above-mentioned entities, unless issued in Switzerland or the EU; an authorization requirement for the granting of loans to certain entities; a prohibition of financing and financial support in relation to the prohibited trade of certain goods with Crimea and Sevastopol; a prohibition to acquire new or to extend existing participations in ownership of real estate or entities in Crimea and Sevastopol; a prohibition of granting loans to entities in Crimea and Sevastopol; and a ban of securities-related services associated with those prohibitions (Ordinance of August 27, 2014, as amended);

(7) certain individuals and entities obstructing a political solution of the crisis in **Burundi** (Ordinance of December 4, 2015);

(8) certain individuals associated with the government of **Venezuela**; financing and financial services related to the provision of arms, related material, and repression-related items (Ordinance of March 28, 2018); and

(9) certain individuals associated with the government of **Nicaragua** (Ordinance of June 24, 2020).

More information on these restrictions and measures as well as the above-referenced legal documents can be found at the following address:

https://www.seco.admin.ch/seco/fr/home/Aussenwirtschaftspolitik_Wirtschaftliche_Zusammenarbeit/Wirtschaftsbeziehungen/exportkontrollen-und-sanktionen/sanktionen-embargos.html

I would be grateful if you could circulate this notification to Executive Directors.