

Regulations Amending the Special Economic Measures (Syria) Regulations

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Registration

SOR/2017-69 April 20, 2017

SPECIAL ECONOMIC MEASURES ACT

P.C. 2017-407 April 20, 2017

Whereas, the Governor in Council is of the opinion that the situation in Syria constitutes a grave breach of international peace and security that has resulted or is likely to result in a serious international crisis;

Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Foreign Affairs, pursuant to subsections 4(1) to (3) of the *Special Economic Measures Act* (see footnote a), makes the annexed *Regulations Amending the Special Economic Measures (Syria) Regulations*.

Amendments

1 Part 1 of Schedule 1 to the *Special Economic Measures (Syria) Regulations* (see footnote 1) is amended by adding the following after item 52:

53 Higher Institute of Applied Science and Technology (HIAST)

54 Mahrous Group

55 National Standards and Calibration Laboratory (NSCL)

56 Organization for Technological Industries (OTI)

57 Sigma Tech

2 Part 2 of Schedule 1 to the Regulations is amended by adding the following after item 217:

218 Ghassan Abbas

219 Firas Ahmad

220 Ahmad Ballul

221 Muhammad Nafi Bilal

222 Bayan Bitar

223 Samir Dabul

224 Yasin Ahmad Dahi

225 Saji Jamil Darwish

226 Suhayl Hasan al-Hasan

227 Habib Hawrani

228 Zuhayr Haydar

229 Muhammad Ibrahim

230 Muhammad Mahmud Mahalla

231 Badi' Mualla

232 Muhammad Khalid Rahmun

233 Rafiq Shihadah

234 Ali Wanus

Application Prior to Publication

3 For the purpose of paragraph 11(2)(a) of the *Statutory Instruments Act*, these Regulations apply before they are published in the *Canada Gazette*.

Coming into Force

4 These Regulations come into force on the day on which they are registered.

REGULATORY IMPACT ANALYSIS STATEMENT

(This statement is not part of the Regulations.)

Issues

The *Regulations Amending the Special Economic Measures (Syria) Regulations* (the Regulations) add 5 entities to part 1 and 17 individuals to part 2 of Schedule 1 to the *Special Economic Measures (Syria) Regulations* (the Syria SEMA Regulations).

Background

The Syria SEMA Regulations were approved on May 24, 2011, and were enacted by Canada under the *Special Economic Measures Act*. These measures include prohibiting persons in Canada and Canadians abroad from dealing with designated persons.

Protests for democratic reform had been ongoing in various cities across Syria since March 15, 2011. The Syrian government's violent crackdown on peaceful protesters led to many civilian deaths and injuries. Thousands of civilians were detained arbitrarily and there were credible reports of summary executions and torture.

Actions of the Syrian government led thousands of Syrians to flee to neighbouring countries, including Lebanon and Jordan, resulting in a serious humanitarian crisis in the region. The violent crackdown in Syria and the mass exodus of refugees caused a grave breach of international peace and security that resulted in a serious international crisis. The Syria SEMA Regulations thus came into force in order to respond to the gravity of the situation in Syria.

Canada has imposed 12 rounds of economic sanctions against the Assad regime and its supporters since May 24, 2011.

The Syrian civil war has continued since 2011. The conflict has evolved into a complex and multifaceted crisis that has drawn in global, regional and non-state actors, and created the conditions for armed opposition groups, terrorist entities and criminal elements to thrive. According to the United Nations in early-2017 the Syrian crisis had led to over 400 000 deaths; displaced more than 6.5 million people within Syria and forced over 4.8 million people to neighboring countries since 2011; and destroyed much of Syria's economy and infrastructure. Over 13 million people remain in need of humanitarian assistance, with over one million living in besieged or hard to reach areas.

Objectives

The Regulations add 5 entities and 17 individuals to Schedule 1 to the Syria SEMA Regulations. Paragraph 2(a) of the Syria SEMA Regulations provides for the listing of the names of any person in respect of whom the Governor in Council, on the recommendation of the Minister, is satisfied that there are reasonable grounds to believe is a former or current senior official of the Government of Syria. The 17 individuals meet paragraph 2(a) because they are former or current senior officials of the Government of Syria.

Paragraph 2(d) of the Syria SEMA Regulations provides for the listing of the names of any person in respect of whom the Governor in Council, on the recommendation of the Minister, is satisfied that there are reasonable grounds to believe is an entity owned or controlled by, or acting on behalf of, the Government of Syria. The five entities meet paragraph 2(d) because they are entities owned or controlled by, or acting on behalf of, the Government of Syria.

The addition of entities and individuals to Schedule 1 of the Regulations align with additions announced by the United States on January 12, 2017, and aims to strengthen international indignation towards the continued use of chemical weapons in Syria by the Assad regime.

Description

The Regulations add 5 entities and 17 individuals to the list of designated persons in Schedule 1 to the Syria SEMA Regulations. As a result of this addition, any person in Canada and any Canadian outside Canada is prohibited from

- dealing in any property, wherever situated, held by or on behalf of a person whose name is listed in the schedule;
- entering into or facilitating, directly or indirectly, any transaction related to such a dealing;

- providing any financial or related service in respect of such a dealing;
- making goods, wherever situated, available to a person listed in the schedule; and
- providing any financial or related service to or for the benefit of a person listed in the schedule.

Exceptions to the above-noted prohibitions are available for the following under subsection 3(2):

- any activity engaged in under an agreement or arrangement between Canada and Syria;
- any payment made by or on behalf of a designated person that is due under a contract entered into before the person became a designated person, provided that the payment is not made to or for the benefit of a designated person;
- any goods made available, or services provided, to or by any of the following entities for the purpose of safeguarding human life, disaster relief, democratization, stabilization or providing food, medicine or medical supplies or equipment:
 - • an international organization with diplomatic status,
 - • a United Nations agency,
 - • the International Red Cross and Red Crescent Movement, or
 - • a non-governmental organization that has entered into a grant or contribution agreement with the Department of Foreign Affairs and International Trade or the Canadian International Development Agency;
- the importation, purchase, acquisition, carrying or shipping of petroleum or petroleum products that were exported, supplied or shipped from Syria before October 5, 2011;
- any goods from the Embassy of Canada in Syria destined for Canada or any goods from Syria destined for the Embassy of Syria in Canada;
- personal or settlers' effects that are taken or shipped by an individual leaving Syria and that are solely for the use of the individual or the individual's immediate family;
- personal correspondence, including letter mail, printed papers and postcards, of a weight not exceeding 250 g per item of correspondence;
- pension payments to any person in Canada, any Canadian abroad or any person in Syria;
- any transaction in respect of the accounts at a Canadian financial institution that are used for the regular business of the Embassy of Syria or its consular missions in Canada;
- any transaction in respect of the accounts at a Syrian financial institution that are used for the regular business of the Embassy of Canada or its consular missions in Syria; and
- any transactions necessary for a Canadian to transfer any existing accounts, funds or investments of a Canadian held with a designated person to a non-designated person.

“One-for-One” Rule

The “One-for-One” Rule applies to the Regulations, as there are minimal administrative costs to business, because of the reporting requirement. However, the administrative burden associated with these Regulations is carved-out from the “One-for-One” Rule as they address unique, exceptional circumstances.

Small business lens

The small business lens does not apply to the Regulations, as there are no costs (or insignificant costs) on small business and small businesses would not be disproportionately affected.

Consultation

Global Affairs Canada drafted the Regulations in consultation with the Department of Justice Canada.

Rationale

The measures contained in the Regulations demonstrate Canada’s concern about the current Syrian conflict, including the humanitarian situation and increase of violence, particularly through the continued violation of international law, including the use of chemical weapons by the Syrian regime.

The amendments better align Canada’s sanctions regime against Syria with like-minded countries.

Implementation, enforcement and service standards

Canada’s sanctions regulations are enforced by the Royal Canadian Mounted Police and the Canada Border Services Agency. In accordance with section 8 of the *Special Economic Measures Act*, every person who wilfully contravenes or fails to comply with a regulation is guilty of an offence. Where the Crown has proceeded by way of summary conviction, this person is liable to a fine not exceeding \$25,000 or to a term of imprisonment of one year or both; where the Crown has proceeded by way of indictment, this person is liable to a term of imprisonment not exceeding five years.

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- Footnote a
S.C. 1992, c. 17
- Footnote 1
SOR/2011-114

