



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 7.8.2006  
COM(2006)445 final

Proposal for a

**COUNCIL REGULATION**

**amending Regulation (EC) No 817/2006 renewing the restrictive measures in respect of  
Burma/Myanmar and repealing Regulation (EC) No 798/2004**

(presented by the Commission)

## **EXPLANATORY MEMORANDUM**

- (1) Council Regulation (EC) No 817/2006 renewing the restrictive measures in respect of Burma/Myanmar and repealing Regulation (EC) No 798/2004 was published in the Official Journal of the EU and entered into force on 2 June 2006.
- (2) A number of economic operators raised the question as to why a provision found in Article 8 of the previous Regulation, Regulation (EC) No 798/2004, had not been included in Regulation (EC) No 817/2006. This provision permitted the crediting of frozen accounts by financial institutions of transfers by third parties to accounts of listed persons or entities, provided that such credits are also frozen.
- (3) This omission appears to be due to an oversight. The Commission proposes, therefore, to add the aforementioned provision to Council Regulation (EC) No 817/2006, with retroactive effect.

Proposal for a

## COUNCIL REGULATION

**amending Regulation (EC) No 817/2006 renewing the restrictive measures in respect of Burma/Myanmar and repealing Regulation (EC) No 798/2004**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 60 and 301 thereof,

Having regard to Council Common Position 2006/318/CFSP of 27 April 2006 renewing restrictive measures in respect of Burma/Myanmar<sup>1</sup>,

Having regard to the proposal from the Commission<sup>2</sup>,

Whereas:

- (1) Article 8 of Council Regulation (EC) No 798/2004 renewing the restrictive measures in respect of Burma/Myanmar and repealing Regulation (EC) No 1081/2000<sup>3</sup> permitted financial institutions that received funds transferred by third parties to the frozen accounts of listed persons or entities, to credit those funds to such accounts, provided that such credits were also frozen.
- (2) Council Regulation (EC) No 817/2006<sup>4</sup> has replaced Regulation (EC) No 798/2004 but due to an oversight it omitted that provision. Regulation (EC) No 817/2006 should therefore be amended to include such a provision.
- (3) It is appropriate for this Regulation to apply from the date on which Council Regulation (EC) No 817/2006 entered into force,

HAS ADOPTED THIS REGULATION:

### *Article 1*

In Article 7 of Regulation (EC) No 817/2006, the following paragraph 3 is added:

"3. Article 6(2) shall not prevent financial or credit institutions in the Community from crediting frozen accounts where they receive funds transferred by third parties

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<sup>1</sup> OJ L 116, 29.4.2006, p.77.

<sup>2</sup> OJ C [...], [...], p. [...].

<sup>3</sup> OJ L 125, 28.4.2004, p.4. Regulation repealed by Regulation (EC) No 817/2006 (OJ L 148, 2.6.2006. p. 1).

<sup>4</sup> OJ L 148, 2.6.2006, p. 1.

to the account of a listed natural or legal person, entity or body, provided that any additions to such accounts will also be frozen. The financial or credit institution shall inform the competent authorities about such transactions without delay."

*Article 2*

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

It shall apply from 2 June 2006.

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

Done at Brussels,

*For the Council*  
*The President*