In order to remedy this lacuna, the Secretary of State for External Affairs introduced Bill C-53 in Parliament, on December 12, 1991 - the <u>Special Economic Measures</u> <u>Act</u> (SEMA) which was assented to June 4, 1992. The SEMA provides that the Governor in Council may act in two situations:

1) in order to implement a decision, resolution or recommendation of an international organization of states or association of states, of which Canada is a member, that calls on its members to take economic measures against a foreign state; or

2) where the Governor in Council is of the opinion that a grave breach of international peace and security has occurred that has resulted or is likely to result in a serious international crisis.

The SEMA authorizes the Governor in Council to make such orders or regulations to restrict or prohibit a broad range of activities in relation to a foreign state, including dealings in the properties of a foreign state; exportation/importation, sale, supply or shipment of goods to or from that state; the provision or acquisition of financial services or other services; the landing of aircraft registered in Canada in a state's territory; and landing in or flight over Canada by an aircraft registered or used by or for the benefit of a state. The SEMA also provides that any property situated in Canada that is held by or on behalf of a foreign state, any person in that state, or a national of that state who does not ordinarily reside in Canada may, by order, be seized, frozen or sequestrated.

Pursuant to the SEMA, and on the basis of OAS resolutions urging OAS member states to implement sanctions against Haiti, the Government was able to make regulations freezing the assets of the Haitian state and prohibiting activities of ships in relation to that country.

While we are hopeful that the number of international crises leading to the imposition of sanctions will abate, we nevertheless can be confident that Canada is now better equipped to respond to such crises in a timely and effective manner.