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MARITIME SANCTIONS AGAINST SERBIA AND MONTENEGRO

The Secretary of State for External Affairs, the Honourable Barbara McDougall, today advised Canadian firms not to enter into financial transactions involving Serbian and Montenegrin companies that are trying to circumvent United Nations sanctions by registering their ships in other countries.

The UN Security Council adopted Resolution 757 on May 30. It imposes a trade and air embargo on Serbia and Montenegro, the two former republics which continue to use the name "Federal Republic of Yugoslavia." The Resolution forbids economic transactions with these republics, including indirect financial transfers.

"Our vigilance with regard to these sanctions underlines Canada's commitment to the restoration of peace in the Balkans," said Mrs. McDougall. "The UN sanctions are clear, and we will not allow re-flagged Yugoslav ships to violate them. I urge all other countries to closely adhere to these sanctions."

Financial transfers involving these ships are fully subject to Canada's United Nations Federal Republic of Yugoslavia (Serbia and Montenegro) Regulations, adopted June 3, 1992. They stipulate that any Canadian company making financial transactions involving these ships would be subject to investigation and, if appropriate, legal action.

A Notice to Commercial Parties is being issued, listing company names and locations, as well as the names of ships suspected of being under Yugoslav control.

- 30 -

For further information, media representatives may contact:
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