# COUNCIL REGULATION (EC) No 607/2000

## of 20 March 2000

## suspending, for a limited period, Regulation (EC) No 2151/1999 imposing a ban on flights between the territories of the Community and the Federal Republic of Yugoslavia other than the Republic of Montenegro or the Province of Kosovo and amending Regulations (EC) No 1294/1999 and (EC) No 2111/1999 as regards payments and supplies in relation to flights during the period of suspension

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 Common Position 2000/176/CFSP of 28 February 2000 suspending, for a limited period of time, Article 4 of Common Position 1999/318/CFSP concerning restrictive measures against the Federal Republic of Yugoslavia [1],

Having regard to the proposal from the Commission,

Whereas:

(1) In the light of an urgent and unanimous call of the democratic opposition in the Federal Republic of Yugoslavia, the Council determined that the ban on flights between the Federal Republic of Yugoslavia and the Community should be suspended for a limited period while maintaining its overall policy framework of applying maximum pressure on President Milosevic and his regime, strengthening the visa ban and the financial sanctions and welcoming the commitment by the democratic forces in the Federal Republic of Yugoslavia to work together for democratic change.

(2) Therefore, the provisions of Council Regulation (EC) No 2151/1999 of 11 October 1999 imposing a ban on flights between the territories of the Community and the Federal Republic of Yugoslavia other than the Republic of Montenegro or the Province of Kosovo [2] should be suspended during that period under the conditions defined in this Regulation.

(3) In addition, Council Regulation (EC) No 1294/1999 of 15 June 1999 concerning a freeze of funds and a ban on investment in relation to the Federal Republic of Yugoslavia [3] and Council Regulation (EC) No 2111/1999 prohibiting the sale and supply of petroleum and certain petroleum products to certain parts of the Federal Republic of Yugoslavia [4] should be amended in order to make provision for transfers of funds, the use of funds and supplies of petroleum and petroleum products which will be necessary in relation to flights during the period of suspension.

(4) Provision should be made for monitoring of the implementation of the suspension,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. The application of Articles 1 to 5 of Regulation (EC) No 2151/1999 shall be suspended for a limited period.

2. For the period of the suspension, the competent authorities listed in Annex I to Regulation (EC) No 2151/1999 may authorise any individual flight, or series of flights by civil aircraft as defined in Article 1(c) of Regulation (EC) No 2151/1999 between the territories of the Community and the Federal Republic of Yugoslavia.

3. Without prejudice to the power of the competent authorities referred to in paragraph 2 to withdraw authorisations at an earlier date, the period of validity of the authorisations granted under paragraph 2 shall, in any case, not exceed the period of validity of this Regulation.

*Article 2*

1. Notwithstanding Article 3(1) of Regulation (EC) No 1294/1999:

(a) Jugoslovenski Aerotransport (Yugoslav Airlines), hereafter called 'JAT', may open one account in each Member State with a financial institution located and registered therein in order to receive and make payments in relation to flights between the territories of the Federal Republic of Yugoslavia and the Community;

(b) payments from such an account shall be used exclusively to pay, in relation to such flights:

— charges for air traffic control services rendered in the Community,

— charges for services rendered in the Community by persons or companies having their principal place of business or their registered office in the Community,

— charges for supplies, to aircraft in airports in the Community, of goods necessary for the proper functioning of such aircraft, including petroleum and petroleum products,

[1] OJ L 56, 1.3.2000, p. 1.
[2] OJ L 264, 12.10.1999, p. 3.
[3] OJ L 153, 19.6.1999, p. 63.
[4] OJ L 258, 5.10.1999, p. 12.

— taxes, customs duties and other charges imposed by the Community and its Member States,

— salaries in respect of JAT employees resident in the Community before the entry into force of this Regulation, and

— rental costs incurred by JAT in respect of office space in the Community;

(c) funds transferred by JAT from outside the Community to an account opened in accordance with subparagraph (a) shall not be frozen.

2. Article 3(2) of Regulation (EC) No 1294/1999 shall not apply to payments for goods and services, as well as payments of taxes, customs duties and other charges, on the following conditions:

(a) the obligation to pay is directly and immediately related to flights between the territories of the Community and the Federal Republic of Yugoslavia, executed during the period referred to in Article 5;

(b) the charges, prices or rates are not applied on a discriminatory basis, and the level of such charges, prices or rates in euro does not exceed that applicable during the six-month period before 19 June 1999, increased with the average rate of inflation in the Community since that date;

(c) in the case of payment of taxes, customs duties and other charges, the taxes, customs duties and other charges, imposed before or after the entry into force of this Regulation were not imposed to counteract any reduction of economic relations with the Federal Republic of Yugoslavia decided by the Community, and the payment fell due as a result of flights authorised in accordance with Article 1(2);

(d) transfers of funds to the Federal Republic of Yugoslavia shall take place only if the natural or legal person making the payment demonstrates both that payment has to take place in the Federal Republic of Yugoslavia and that he or it does not have sufficient funds in that country to make that payment, and obtains prior authorisation from the competent authorities of the Member State [1] from which the transfer is made; and

(e) all payments shall be reported to the Commission, directly or through the competent authorities in accordance with the applicable rules, and to the competent authorities of the Member State wherein the payment or transfer takes place, on a monthly basis, within two weeks of the end of the month to which the report relates. Such reports may be based on existing data-processing and accounting systems and shall, where appropriate, be accompanied by evidence justifying the making of a payment in the Federal Republic of Yugoslavia.

[1] As listed in Annex III to Regulation (EC) No 1294/1999.

*Article 3*

1. Article 1 of Regulation (EC) No 2111/1999 shall not apply to sales or supplies in the Community of petroleum and petroleum products in respect of any civil aircraft in the Community used for flights between the territories of the Community and the Federal Republic of Yugoslavia authorised in accordance with Article 1(2), provided that such sales or supplies are necessary for the proper functioning of such aircraft.

2. Article 1 of Regulation (EC) No 2111/1999 shall not apply to the sale, supply or export of petroleum and petroleum products to any person or body in a non-member State other than the Federal Republic of Yugoslavia by persons or bodies incorporated or constituted under the law of a Member State, for sales, supplies or exports directly and immediately related to flights by civil aircraft between those states and the Federal Republic of Yugoslavia.

3. Sales supplies or exports pursuant to this Article shall be reported to the Commission and the competent authorities [2] of the Member State where the sale, supply or export takes place, on a monthly basis, within two weeks of the end of the month to which the report relates. Such reports may be based on existing data processing and accounting systems.

*Article 4*

1. The Commission shall monitor the implementation of this Regulation, and in particular the actions of the Federal Republic of Yugoslavia and the Republic of Serbia vis-a-vis Community carriers, and report to the Council regularly.

2. Member States and the Commission shall inform each other of the measures taken under this Regulation and shall supply each other with all relevant information at their disposal in connection with this Regulation, such as the granting and withdrawal of authorisations, and information received in accordance with Articles 2(2)(e) and 3(3).

*Article 5*

This Regulation shall apply until 28 August 2000:

— within the territory of the Community including its airspace,

— on board any aircraft or any vessel under the jurisdiction of a Member State,

— to any person elsewhere who is a national of a Member State,

— to any body which is incorporated or constituted under the law of a Member State.

*Article 6*

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

[2] As listed in Commission Regulations (EC) No 1084/1999 (OJ L 131, 27.5.1999, p. 29), Regulation as amended by Regulation (EC) No 1971/1999 (OJ L 244, 16.9.1999, p. 40).

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

Done at Brussels, 20 March 2000.

*For the Council*
*The President*
J. GAMA