

***BANKING (FOREIGN EXCHANGE) REGULATIONS 1959***  
**SANCTIONS AGAINST THE FORMER FEDERAL REPUBLIC OF YUGOSLAVIA**  
**– AMENDMENT TO THE ANNEX**

**EXPLANATORY STATEMENT**

The Reserve Bank of Australia, following a directive from the Australian Government under the *Banking (Foreign Exchange) Regulations 1959*, currently administers financial sanctions against certain individuals associated with the government of the former Federal Republic of Yugoslavia.

The Australian Government has revised the criteria for persons subject to financial sanctions and has directed the Reserve Bank to remove 55 persons and add 196 new persons to the Annex of names. Amendments have also been made to 11 entries in the previous Annex. Details of the changes to the Annex can be found in Attachment A. The revised criteria specifically target individuals convicted, indicted or suspected of war crimes during the Balkans conflict, as well as known supporters of the former Milosevic regime and individuals suspected of assisting uncaptured International Criminal Tribunal for the Former Yugoslavia indictees.

The updated Annex now contains 223 persons and is referred to in each of the following instruments:

- (i) Direction relating to Foreign Currency Transactions and to the Federal Republic of Yugoslavia dated 5 April 2002, pursuant to regulation 5 of the *Banking (Foreign Exchange) Regulations 1959*.
- (ii) Variation of Exemption dated 4 October 2007, relating to sub-regulation 6(1) of the *Banking (Foreign Exchange) Regulations 1959*.
- (iii) Variation of Exemption dated 17 October 2001, relating to sub-regulation 8(1)(a) of the *Banking (Foreign Exchange) Regulations 1959*.

The original instruments foresaw that the Annexes may be periodically reviewed and stated that any amendments to the Annex shall be taken as being part of the original instruments as from the date of publication of the amendments in the Commonwealth of Australia Gazette.

This instrument does not substantially alter the existing financial sanctions in place against the former Federal Republic of Yugoslavia. As such, in accordance with Section 18 of the *Legislative Instruments Act 2003*, the Reserve Bank is satisfied that further consultation, beyond that already undertaken by the Treasury and Department of Foreign Affairs and Trade, is unnecessary.