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Unilateral economic measures as a means of political and economic coercion against developing countries

Report of the Secretary-General

Summary

The present report has been prepared pursuant to General Assembly resolution 70/185, entitled "Unilateral economic measures as a means of political and economic coercion against developing countries". It contains the outcome of the monitoring by the Secretary-General of the imposition of such measures and a brief analysis of their impact on the affected countries, including the impact on trade and development. The report reflects the replies of Member States and selected international organizations to the note verbale sent by the Secretary-General requesting pertinent information. The report also includes additional data collected by the Secretariat.

The responses from Member States indicate their positions against the imposition of unilateral economic measures as an instrument of political and economic coercion against developing countries. Such measures are viewed as being inconsistent with the principles of the Charter of the United Nations, the norms of international law and the multilateral trading system. Member States expressed their concerns about the negative impacts of unilateral economic measures on the socioeconomic development of the affected countries. International organizations reported that unilateral sanctions tended to adversely affect the population in the affected countries and hamper international trade. The number of unilateral measures has been increasing in recent years and the measures have taken diverse forms.

* A/72/150.

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I. Introduction

1. In its resolution 70/185, entitled "Unilateral economic measures as a means of political and economic coercion against developing countries", the General Assembly urged the international community to adopt urgent and effective measures to eliminate the use of unilateral coercive economic measures against developing countries that were not authorized by relevant organs of the United Nations or were inconsistent with the principles of international law as set forth in the Charter of the United Nations and that contravened the basic principles of the multilateral trading system.

2. In the same resolution, the General Assembly requested the Secretary-General to continue monitoring the imposition of such measures, study their impact on the affected countries, including the impact on trade and development, and report on the implementation of the resolution to the Assembly at its seventy-second session.

3. Pursuant to that request, in a note verbale dated 13 March 2017, the Secretary-General invited Governments of Member States and international organizations to provide any information they might wish to contribute to the preparation of the report. An additional note verbale was sent on 1 May 2017 to remind recipients to respond.

4. The replies received from Governments of Member States as at 30 June 2017 are reproduced in the annex to the present report. Replies received after that date will be reproduced as addenda to the report.

II. Summary of replies received from Member States, United Nations bodies and international organizations

5. Member States expressed their positions against the imposition of unilateral measures. Unilateral economic measures are considered to be inconsistent with the principles of the Charter of the United Nations. Member States are of the view that such measures impede the rule of law, the transparency of international trade and the freedom of trade and navigation.

6. Member States that identified themselves as countries affected by unilateral economic measures (Armenia, Belarus, Cuba, the Russian Federation, the Syrian Arab Republic and Yemen), as did member States of the European Union, reported negative impacts of such measures on their countries and the multilateral trading system. Member States indicated that unilateral economic measures tended to have severe humanitarian consequences and adverse effects on vital economic sectors, thereby harming the welfare of the population.

7. The Economic Commission for Africa reported[1] that the suspension of preferential trade agreements could have an effect similar to that of trade embargoes. For instance, some of the economies it monitors, namely, Swaziland, the Gambia and South Sudan, were negatively affected when their eligibility under the African Growth and Opportunity Act was revoked.

8. The Economic and Social Commission for Asia and the Pacific (ESCAP) indicated[2] that most of the unilateral measures observed by ESCAP were trade-related, more specifically, non-tariff measures. Countries affected by such measures have not been able to benefit fully from regional trade.

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[1] Reply from the Economic Commission for Africa to the note verbale, received on 28 April 2017.

[2] Reply from the Economic and Social Commission for Asia and the Pacific to the note verbale, received on 5 May 2017.

9. The Economic Commission for Latin America and the Caribbean[3] reported that unilateral measures had had significant negative effects on Cuba and possibly on third States. The Governments of Cuba and the United States of America agreed to re-establish diplomatic relations and modify the application of the embargo in 2014. However, a number of critical aspects of the embargo remain in effect and continue to affect the economy of Cuba.

III. Monitoring the imposition of unilateral measures and studying the impact of such measures on the affected countries

10. Since 2000, new measures have been imposed 37 times on 34 targets. Of those measures, 15 are no longer in effect and 22 are still binding.[4]

11. The number of unilateral economic measures continued to increase in recent years. Between 2000 and 2009, 18 measures were initiated (an average of 1.8 per year), with 17 new measures introduced since 2010 (an average of 2.1 per year). The re-establishment of economic relations in long-standing cases, such as Cuba and Myanmar, was initiated but, as at mid-2017, had not yet concluded.

12. Evidence suggests that unilateral measures, especially broad trade embargoes, can have unintended consequences, such as adverse impacts on human rights and public welfare (see A/HRC/33/48 and A/71/91), whereas measures such as arms embargoes, asset freezes and travel bans can be more targeted.

[3] Reply from the Economic Commission for Latin America and the Caribbean to the note verbale, received on 10 May 2017.

[4] United Nations Secretariat, based on various reports of the Secretary-General on unilateral economic measures as a means of political and economic coercion against developing countries.

Annex

Replies received from Member States and the European Union

Armenia

[Original: English]
[11 May 2017]

Armenia does not agree with the imposition of unilateral economic measures as instruments of political and economic coercion against developing countries. As a form of political and economic pressure exercised by one State towards another, the application of unilateral coercive measures constitutes an obstacle to the realization of the right to development and, as such, is detrimental to sustainable development.

Armenia is a landlocked developing country, whose access to the sea through a neighbouring transit country has essentially been denied since 1993, when Turkey unilaterally closed its borders with Armenia, interrupting the transport and trade links between the two countries. To this day, over 82 per cent of the length of Armenia's border is closed, blocking all roads, rail lines and pipelines from Turkey into Armenia. Such measures are inconsistent with the principles of international law, including the Charter of the United Nations, and are contrary to the aims of the Convention on Transit Trade of Land-locked States, the United Nations Convention on the Law of the Sea and the norms of the multilateral trading system.

The closed borders, which block Armenia's access to the sea, significantly increase the costs of imports, unduly inflicting a heavy burden upon Armenia's economy, as well as businesses on both sides. According to the studies conducted by the World Bank, such measures, if lifted by Turkey, would result in a 30 per cent increase in Armenia's gross domestic product in the short run. The unilateral measures imposed by Turkey on landlocked neighbouring Armenia have been detrimental to international economic cooperation and effective integration with multilateral trading blocs. Not only do such measures impede the establishment of good-neighbourly relations, a provision that is enshrined in the Charter of the United Nations and other international founding documents, but they also severely hamper transit communication routes and add to an essential infrastructure deficit. The closed borders have disrupted the operation of an existing inter-State railroad linking Armenia and Turkey (Gyumri-Kars). Furthermore, Turkey is investing in infrastructure projects that circumvent Armenia, in pursuit of a continued policy of blockade.[1]

Armenia has not engaged in any forms of aggression towards Turkey to justify the imposition of unilateral coercive measures. There is no formal mediation or normalization process with a view to restoring trade, transportation and infrastructure links. Armenia's progress on sustainable development continues to be negatively affected by the ongoing trade and transport blockade imposed by Turkey.

Belarus

[Original: English and Russian]
[28 April 2017]

Belarus has stated many times at the United Nations that unilateral coercive measures constitute a violation of the Charter of the United Nations and have a

[1] See World Bank study "Changing Trade Patterns after Conflict Resolution in South Caucasus", pp.6 and 41.

negative impact on the multilateral trading system. Such measures are counterproductive in every respect and only exacerbate tensions in relations between sovereign States. Unilateral coercive measures taken in violation of international law and the Charter of the United Nations run counter to the principles of sustainable development. Full implementation of the 2030 Agenda for Sustainable Development is possible only if unfair and unlawful means of exerting influence in relations among countries are rejected.

Unilateral sanctions often have extraterritorial effects because they impact not only on the countries on which they are imposed but also on third countries, since they have a negative effect on regional economic cooperation.

Belarus is convinced that equitable and mutually respectful dialogue is the only way of resolving differences that arise.

Belarus fully supports the mandate of the Special Rapporteur on the negative impact of unilateral coercive measures on the enjoyment of human rights and is open to cooperating with him.

The Republic of Belarus has its own experience of economic sanctions imposed by the European Union and the United States of America.

Cuba

[Original: English]
[20 April 2017]

Cuba does not agree with the imposition of unilateral economic measures as instruments of political and economic coercion against developing countries. The Republic of Cuba rejects all unilateral economic measures as instruments of political and economic coercion against developing countries, since they are inconsistent with the principles of international law as set forth in the Charter of the United Nations and contravene the basic principles of the multilateral trading system. Cuba considers that these measures directly violate the sovereignty of developing countries and that they hinder the advancement of national development programmes and the achievement of better social and economic realities.

The Republic of Cuba has endured, and still endures to date, an economic, commercial and financial blockade imposed by the Government of the United States of America since 1962. The laws and regulations that uphold this policy of unilateral economic measures are still in place and are rigorously applied by United States authorities.

These measures were designed to bring about "hunger, desperation and overthrow of [the Cuban] Government". They constitute an absurd policy that is morally unsustainable, as former President Barack Obama acknowledged. They have not served the purpose of breaking down the decision of the Cuban people to choose their political system and control their future.

The President of the United States has broad executive prerogatives to modify the application of these laws and regulations, just as former President Barack Obama did during the final years of his Administration. The President today can go further than his predecessor did, until this policy is emptied of much of its content. Although the United States Congress is the body empowered to revoke the laws supporting the blockade against Cuba and to decree its demise, this act could be preceded by the dismantling of the immense majority of the restrictions composing it via executive actions.

There are just four aspects of the blockade that the President of the United States cannot act upon since they require action by Congress to be eliminated or changed, since they are regulated by law:

1. The prohibition on United States subsidiaries in third countries from doing business with Cuba (Torricelli Act)

2. The prohibition on carrying out transactions with United States properties that were nationalized in Cuba (Helms-Burton Act)

3. Preventing United States citizens from travelling to Cuba as tourists (Trade Sanctions Reform and Export Enhancement Act of 2000)

4. The prohibition on financing for sales of United States agricultural products to Cuba (Trade Sanctions Reform and Export Enhancement Act of 2000)

These measures also affect other countries and their citizens, including United States citizens, who are not allowed to visit Cuba as tourists. Its extraterritorial scope ensures that all matters pertaining to Cuba, especially international banking transactions, are targeted by United States authorities, even in third countries.

For now, the longest set of unilateral economic coercive measures ever to be applied in history remains in force.

The blockade on Cuba constitutes to date the single largest obstacle in its path to development, and especially towards the full implementation of the 2030 Agenda for Sustainable Development. In spite of the measures adopted by former President Barack Obama from 17 December 2014 to January 2017, and his repeated calls on Congress to lift the blockade, the laws and regulations supporting it continue to be in force and are being applied rigorously by United States Government agencies, especially by the Departments of the Treasury and Commerce, and in particular by the Office of Foreign Assets Control.

This has manifested particularly through its extraterritorial scope and the continued harassment of Cuban international banking/financial activity over the past few years. Consequently, Cuba's normal progress in all spheres of economic, social, cultural and political life continues to be seriously hindered.

By virtue of this blockade, Cuba is still unable to freely export and import products and services to or from the United States; it cannot have direct banking relations with that country or receive United States investment in other sectors of the economy, with the exception of telecommunications. Fear persists within the banking sector of the United States and third countries about developing relations with Cuba even when the United States has authorized the use of the United States dollar in the Island's international financial transactions. Large fines against United States and other foreign banks imposed in recent years by the Office of Foreign Assets Control and other United States federal and state institutions have created a negative environment that has led to systematic denial of banking and financial services to Cuban banks, companies, diplomatic missions and regular citizens.

The growth attained in the public health sector in Cuba is undeniable. The indicators exhibited by Cuba, which have been amply acknowledged at international forums, are a demonstration of that fact. Nonetheless, this sector has not been exempted from the rigorous application of the blockade by the United States. The accumulated monetary repercussions of this policy on Cuban public health since its beginning come to $2,624.1 million, while in the period from April 2015 to April 2016, the repercussions total $82,723,876.18.

These repercussions are manifested in the impossibility of acquiring on United States markets the medicines, reagents, spare parts for diagnostic and treatment equipment, medical instruments and other supplies necessary for this sector to function. In most cases, the acquisition of these products has been carried out in geographically distant markets, and this becomes more onerous since Cuba must resort to intermediaries. It also has repercussions on delays in treatment for patients. In many cases, the alternative products used are of lesser quality than those available on the United States market, and this has serious effects on treatments.

Although just a few of these adverse effects can be calculated in monetary terms, no figure, no matter how high, can show and explain the intangible costs of the damage of social and human transcendence given the impossibility of being able to access state-of-the art supplies, technology, knowledge and other resources that are vital for this sensitive area.

The right to development in Cuba is limited because of the negative effects of the blockade. Sectors such as biotechnology, tourism, transportation, mining, renewable energies and others have suffered considerable losses due to this unfair policy. In particular, Cuba's biotechnological and pharmaceutical industry struggles constantly against the blockade in order to develop new products, medicines, highly technological equipment and services destined to improve the health of the Cuban people and generate exportable goods and services and cutting-edge technologies for the production of food.

In spite of the fact that Cuba has received various delegations of United States businessmen interested in the products of Cuban biotechnology, and a few actions of interest and contracts for some of them have materialized, the blockade still restricts interchanges between the two nations. That also deprives the United States people of receiving the benefits of the biotechnological and pharmaceutical products developed in Cuba. For this important sector, the total economic repercussions instigated by this policy amount to $171,665,136.96.

There are many more examples of how this set of unilateral economic coercive measures affects the Cuban people and others. Suffice it to say that the economic repercussions on the Cuban people due to the application of the economic, commercial and financial blockade of the United States against Cuba during the period from April 2015 to April 2016, and considering the depreciation of the dollar in regard to the price of gold on the international market, amount to $753,688,000,000 in spite of the reduced price of gold compared with the previous period. Since this policy began to be applied over 50 years ago, the blockade has caused damages of over $125,873,000,000 at current prices.

There are numerous examples of unilateral economic coercive measures in the world, all in violation of international law as provided for in the Charter of the United Nations, and the Republic of Cuba condemns them all. The blockade of the United States Government against Cuba happens to be the longest, most unjust and illegal unilateral economic coercive measure ever to be applied in history to a single country. This policy and its extraterritorial scope have tried to isolate our country simply because it defends its sovereignty and its right to freely choose its future.

Cuba and the United States are not at war. Cuba has never launched any military aggression against the United States, nor has it promoted acts of terrorism against the American people. It is unsustainable to justify the measures being taken under this ordinance.

The blockade also qualifies as an act of genocide by virtue of the Convention on the Prevention and Punishment of the Crime of Genocide of 1948 and as an act of economic warfare according to the Declaration concerning the Laws of Naval War adopted by the Naval Conference of London of 1909.

The blockade against Cuba must end. On 25 occasions, the General Assembly, with overwhelming majority, has declared itself to be in favour of respect for international law, compliance with the principles and purposes of the Charter of the United Nations and the right of the Cuban people to choose their own future for themselves. That must be respected.

European Union

[Original: English]
[26 May 2017]

While we consider that the content of this question is misleading and that in future questionnaires, it could be formulated in a manner that is in line with international law, the European Union considers that in appropriate circumstances, targeted economic measures imposed in accordance with international law are a legitimate part of the Common Foreign and Security Policy of the European Union.

Targeted economic measures may be used to seek to prevent activities in third countries, including proliferation of serious violations of human rights, which pose a threat to the security of the European Union and its member States.

Member States of the European Union have been affected by unilateral economic measures imposed by the Russian Federation in 2014 in response to action taken by the European Union to respond to the Russian Federation's policies in Crimea and Ukraine. The measures affect parts of the European Union agriculture sector and are still in force.

The measures imposed by the Russian Federation had a short-term impact on the sectors affected. These were mitigated by short-term support from the European Commission. In the medium term, alternative markets have been found by European Union producers.

Where economic measures are imposed, the European Union targets these measures to limit the impact as far as possible on the civilian population. In addition, the European Union includes exemptions or derogations from economic measures for humanitarian purposes.

Guatemala

[Original: Spanish]
[14 June 2017]

Guatemala does not agree with the imposition of unilateral economic measures as instruments of political and economic coercion against developing countries. Such action violates all the general principles of law codified and universally recognized in international treaties, whose main function is to serve as a source of international law. We find the main principles that govern international law in the Charter of the United Nations and in the Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States in accordance with the Charter of the United Nations. The general principles of public international law are thus *jus cogens* norms, or peremptory norms, accepted and recognized by the international community; they cannot be otherwise agreed and may only be modified by subsequent norms of general international law of equal value and breadth, and so breaching them would automatically void them *ab initio*.

The World Trade Organization (WTO) agreements contain the main subjects that govern international trade through legal rules that set limits, understood as the trading rights and obligations of States; therefore, it was also necessary to establish the minimum principles that should govern them both in the international trade in goods and in the international trade in services.

The principles codified in the different normative texts of WTO form the basis of the multilateral trading system; they must be understood, applied and interpreted broadly in matters governing world trade.

The imposition of unilateral measures that are outside the general framework of public international law blatantly violates both general principles of law and the principles that govern multilateral trade, including the principle of predictability, which is intended to give members clear rules and legal certainty for trade in goods and services, as only this can generate real business that increases investment and commerce among members. The different agreements that are part of WTO, such as the General Agreement on Tariffs and Trade, the General Agreement on Trade in Services and the Trade-Related Aspects of Intellectual Property Rights agreement, inter alia, consolidate the rights and obligations of members by providing predictability in the countries with which they wish to conduct trade activities.

To impose such measures against developing countries not only worsens and delays economic growth but also drives away potential investors, owing to a lack of predictability and a breach of the clear rules that must be applied in democratic systems and in the multilateral trading system.

Recalling that the current general principles of international law codified to date are mainly to be found in the Charter of the United Nations, countries must observe, respect and implement them in order to achieve the goal of responding to the aspiration of a world union of States, with equal rights and fraternal cooperation.

The imposition of unilateral measures by developed countries with the intention of exerting political and economic coercion violates the commitments made at the global level in the Charter of the United Nations and the commitments made in the Marrakesh Agreement.

There are many alternatives and forums for the settlement of international political and economic disputes; Guatemala is of the opinion that these remedies must be exhausted and that developed countries must refrain from imposing measures that violate predictability in trade and the self-determination of peoples.

Guatemala urges complete compliance with the following principles:

1. Equal rights and the self-determination of peoples
2. Sovereign equality and the independence of all States
3. Good faith in the performance of obligations
4. Refraining from the threat or use of force
5. Universal observance of human rights
6. Cooperation among States
7. Non-interference in the internal affairs of States
8. Peaceful settlement of disputes.

In commercial matters, the following principles must be observed and respected:

1. Most-favoured-nation treatment
2. National treatment
3. Freer trade
4. Predictability
5. Fair competition
6. Promotion of development and economic reform.

Lesotho

[Original: English]
[18 May 2017]

Lesotho does not support the imposition of unilateral economic measures as instruments of political and economic coercion against any country, as that is contrary to multilateralism.

Madagascar

[Original: English]
[18 May 2017]

Madagascar does not agree with the imposition of unilateral economic measures as instruments of political and economic coercion against developing countries.

The Government of the Republic of Madagascar has never promulgated laws of applied economic, commercial and financial measures against the Republic of Cuba and supports all the decisions that aim to lift the economic, commercial and financial embargo imposed on this country.

Russian Federation

[Original: English/Russian]
[15 May 2017]

The Russian Federation does not agree with the imposition of unilateral economic measures as instruments of political and economic coercion against developing countries.

European Union

The European Union has adopted the following kinds of restrictive measures (sanctions):

Measures in respect of natural persons

Measures were imposed by Council of the European Union Decision 2014/145/CFSP of 17 March 2014 and were subsequently expanded, on a number of occasions, by Council decisions and regulations.

Measures in respect of legal persons, entities or bodies

Measures were imposed by Council of the European Union Decision 2014/265/CFSP of 12 May 2014, and were also subsequently expanded and prolonged on a number of occasions.

The sanctions list includes 150 natural persons and 37 legal persons.

On 13 March 2017, the Council prolonged these measures until 15 September 2017.

Measures in respect of Crimea and Sevastopol

Measures were imposed by Council of the European Union Decision 2014/386/CFSP of 23 June 2014 prohibiting the import into European Union countries of goods originating in Crimea or Sevastopol and the provision of financing or financial assistance related to the import of goods originating in Crimea or Sevastopol.

A number of measures were subsequently expanded: in July 2014, a ban was imposed on investment in infrastructure, transport, telecommunications, the energy sector and the exploitation of oil, gas and minerals; and in December 2014, a ban was imposed on the acquisition by European companies and companies based in the European Union of real estate and ventures in Crimea, financing to Crimean companies and the provision of related services, the provision of services related to tourism activities in Crimea, the delivery to Crimea of around 200 items, and the provision of technical assistance and construction or engineering services.

On 17 June 2016, the Council of the European Union renewed the measures until 23 June 2017.

Sector-specific measures

(a) The following measures were imposed on 31 July 2014 and have been repeatedly renewed:

(i) Measures in respect of dual-use goods and the oil and gas sector;

(ii) Measures in respect of the military sector;

(iii) Measures in respect of the banking sector;

(b) On 19 December 2016, the Council of the European Union prolonged sector-specific restrictive measures until 31 July 2017;

(c) On 30 July 2015, the European Commission took note of and welcomed the decision of six countries (Albania, Iceland, Liechtenstein, Montenegro, Norway and Ukraine) to join the sanctions regime against Russia. The same countries, and additionally Georgia, supported the sanctions against Crimea and Sevastopol.

United States of America

The United States of America imposed restrictive measures against Russia on 17 and 20 March 2014; 11, 16 and 28 April 2014; 1 May 2014; 16 and 29 July 2014; 6 and 29 August 2014; 12 September 2014; 19 December 2014; 11 March 2015; 30 July 2015; 7 August 2015; 22 December 2015; 5 July 2016; 1 and 6 September 2016; and 20 and 23 December 2016.

On 17 March 2014, the President of the United States, Barack Obama, signed an executive order to freeze the assets of a number of Russian and Ukrainian officials in connection with the situation in Ukraine. Persons included on the sanctions list were also denied entry into the United States.

On 20 March 2014, the President of the United States made a special announcement that he had signed an executive order authorizing the imposition of sanctions on key sectors of the Russian economy (finance, energy, mining and others) and increasing the number of Russian nationals subject to visa and economic sanctions.

On 28 March 2014, restrictions were imposed on the sale of military and dual-use products to Russia.

On 17 July 2014, the United States introduced new sanctions. The list of organizations and companies includes Donetsk People's Republic and Luhansk People's Republic, Vnesheconombank, Gazprombank, Rosneft, Bazalt, Kalashnikov Concern, Konstruktorskoe Byuro Priborostroeniya, Uralvagonzavod and OAO Novatek. "Blocking sanctions" were imposed on defence firms providing for a complete cessation of contact by the United States and freezing assets held in United States banks. Other bodies were denied access to long-term financing (of longer than 90 days maturity).

On 29 July 2014, an export licensing regime was imposed on goods designed for a number of oil projects in Russia related to deepwater, shale and Arctic oil exploration (with restrictions applied to future projects).

On 13 August 2014, the United States Department of the Treasury tightened requirements by extending the application of sanctions to assets of entities owned 50 per cent or more in the aggregate by more than one person subject to sanctions.

On 19 December 2014, a ban was imposed on the exportation of United States goods, services or technology to Crimea, on the importation into the United States of goods and services from Crimea and on United States investments in the Crimea region.

On 6 September 2016, the Department of Commerce published its sanctions list. It is by and large the same as the Ministry of Finance list of 1 September 2016, but includes 11 additional radio electronics companies.

All the sanctions lists have been expanded on several occasions and the restrictive measures have been prolonged. On 17 January 2017, the United States renewed its sanctions for a further year.

Canada

On 17 March 2014, the official website of the Canadian Head of Government published a list of Russian and Ukrainian nationals against whom Canada has imposed sanctions to freeze their assets and prohibit their entry into the country. The Canadian sanctions list is identical to the equivalent list of the United States.

On 24 July 2014, the Prime Minister of Canada, Stephen Harper, announced that new sector-specific economic sanctions would be imposed on a number of Russian organizations and companies in the energy, defence and financial sectors.

The sanctions list of Russian natural and legal persons has been expanded on several occasions.

To date, no official estimates have been made of the damage caused to the Russian economy by unilateral restrictive measures. Since the restrictive measures were imposed, various expert assessments of the damage caused by the sanctions stand-off have been published, taking into account the combination of factors directly or indirectly affecting the economic development of the Russian Federation. The assessments provided below should be used at the discretion of the Russian Ministry of Foreign Affairs.

The Russian Minister of Finance, Anton Siluanov, estimates that Russia is losing around US$ 40 billion per year because of the geopolitical sanctions, and a further US$ 90 to 100 billion per year on account of the drop in the oil price.

Presidential adviser Sergey Glazyev believes that the cost of the damage wrought on the Russian financial industry by the sanctions against Russia has been US$ 250 billion over two years, bearing in mind that Russian borrowers have already been compelled to pay back about US$ 200 billion.

The former deputy chairman of the Central Bank of Russia, Sergey Aleksashenko, estimated that the sanctions have caused the Russian economy to lose around 5 per cent of its gross domestic product (GDP) per year, which is equivalent to about US$ 60 to 70 billion.

EUobserver, an online newspaper, has estimated Russian losses from European sanctions to have been €23 billion in 2014 (1.5 per cent of GDP) and €75 billion in 2015 (4.4 per cent of GDP).

The *Economist* magazine gave more radical projections of total losses to Russia of US$ 1 trillion.

A study by the economists K. Kholodilina (German Institute for Economic Research, DIW Berlin) and A. Nechunayeva (Freie Universität Berlin) found the damage caused by western sanctions to the Russian economy to be at most 11 per cent of GDP. The authors of the research used the structural vector autoregression method to analyse the 2014-2015 period.

In an article for "Voprosy Ekonomiki", Evsei Gurvich and Ilya Prilepsky of the Economic Expert Group, estimated that in the 2014 to 2017 period, the cumulative loss to Russia's GDP because of the sanctions was 6 per cent of the 2013 level of GDP, but that the net capital outflow caused by the sanctions over the same period was US$ 160 to 170 billion.

Russian economists at the Russian Academy for Foreign Trade of the Russian Ministry of Economic Development estimate that total damage to Russia from external factors amounts to approximately US$ 140 billion, which can be broken down as follows:

- Capital outflow of up to US$ 130 billion, of which approximately US$ 96 billion relates to the period after the sanctions had been introduced;
- A decrease of US$ 82 million in the volume of arms traded;
- A contraction of trade in services between the Russian Federation and the European Union;
- Devaluation of the national currency by half;
- Closure of the market for external loans for State banks;
- A drop in dollar-denominated oil and gas revenue;
- The departure of a number of foreign companies and withdrawal of foreign assets;
- An increase in inflation of over 10 per cent;
- A decrease in household income.

In summary, it should be noted that so-called sanctions are counterproductive and do not achieve their primary goal. Moreover, the biggest losses are sustained by businesses not only in countries subject to unilateral economic measures, but also in their partner countries. We also note that restrictive measures have an impact on sectors (and companies) on which no sanctions have been directly imposed.

Senegal

[Original: French]
[25 April 2017]

The imposition of unilateral economic measures as a means of political and economic coercion against developing countries is inconsistent with the provisions of the Charter of the United Nations related to the principles of international law. All States signatories to the Charter must respect those principles. Accordingly, no State, regardless of its economic strength or political influence, should coerce another State in order to obtain from it the subordination of the exercise of its sovereignty, even if that State is developing or politically weak.

The United Nations must ensure the implementation of all necessary preventive measures against States that might be tempted to violate General Assembly resolution 70/185, adopted on 22 December 2015.

The World Trade Organization and other relevant bodies, within their respective areas of jurisdiction, should also ensure compliance with the resolution and report potential threats.

Sri Lanka

[Original: English]
[3 May 2017]

Sri Lanka does not approve of the use of unilateral economic measures against any country that are inconsistent with the principles of the Charter of the United Nations and international law. Sri Lanka is of the view that the implementation of such measures impedes the rule of law, the transparency of international trade and the freedom of trade and navigation.

Syrian Arab Republic

[Original: English]
[2 May 2017]

The Syrian Arab Republic strongly opposes the imposition of unilateral economic measures, as these measures are fundamentally based on an unethical concept and contradictory to the principles of human rights and international humanitarian law. The content of this unethical concept is that there are some Member States that have the economic power and the financial means to use unilateral economic measures, which only harm peoples, as a means of achieving private and unfair political goals and agendas, especially against developing countries.

On this basis, the United Nations will never be able to achieve the goals and objectives of sustainable development in the 2030 Agenda for Sustainable Development, as long as these countries and communities, particularly the United States of America and the European Union, continue to impose these coercive measures on many peoples of the world.

To this date, including during the period from 2014 to 2016, the Syrian Arab Republic has been subject to many unilateral coercive economic measures imposed by the United States, the European Union, the League of Arab States, the United Kingdom of Great Britain and Northern Ireland, Norway, Australia and Canada.

Some of these illegitimate measures date back to 1979, when the United States began imposing some of them on Syria and other States on the basis of non-objective annual reports issued by the United States Department of State, which only reflect policies of the successive United States administrations toward these countries, and they are even using issues such as terrorism and human rights to impose such measures.

The most important unilateral coercive economic measures imposed against Syria, in particular those related to the Syrian crisis since 2011, are set out below.

United States

The coercive economic measures against Syria implemented by the United States Office of Foreign Assets Control began in 2004 when Executive Order 13338 was issued by the President of the United States to deal with the Government of Syria's policies towards Lebanon. Following the events in Syria beginning in March 2011, subsequent executive orders have been issued. The United States Government describes this unilateral economic measures programme as "one of the most comprehensive sanctions programmes currently implemented by the Office of Foreign Assets Control".[2]

Current Syria sanctions

- Block the property and interests in property of the Government of Syria pursuant to Executive Order 13582
- Block the property and interests in property of persons listed in an annex to, or that are determined by the Secretary of the Treasury, in consultation with the Secretary of State, to meet the criteria described in, Executive Order 13338, Executive Order 13399, Executive Order 13460, Executive Order 13572, Executive Order 13573, Executive Order 13582 or Executive Order 13606
- Prohibit transactions or dealings with foreign persons that are determined by the Secretary of the Treasury, in consultation with the Secretary of State, to meet the criteria described in Executive Order 13608
- Prohibit certain transactions with respect to Syria pursuant to Executive Order 13582
- Under Executive Order 13582, all property and interests in property of the Government of Syria, which includes its agencies, instrumentalities and controlled entities, which are in the United States or within the possession or control of United States persons, are blocked. Executive Order 13582 also prohibits the following:
  - New investment in Syria by a United States person, wherever located
  - The direct or indirect exportation, re-exportation, sale or supply of any services to Syria from the United States or by a United States person, wherever located
  - The importation into the United States of petroleum or petroleum products of Syrian origin
- Any transaction or dealing by a United States person, wherever located, in or related to petroleum or petroleum products of Syrian origin
- Any approval, financing, facilitation or guarantee by a United States person, wherever located, of a transaction by a foreign person where the transaction by

[2] United States Department of the Treasury, Overview of United States unilateral measures against Syria, available from https://www.treasury.gov/resource-center/sanctions/Programs/pages/syria.aspx.

that foreign person would be prohibited if performed by a United States person or within the United States

- In addition to the prohibited transactions described above, other United States Government agencies may prohibit other transactions with Syria. For example, the United States Department of Commerce regulates the exportation or re-exportation to Syria of many items subject to the Export Administration Regulations.

On 1 May 2012, the President of the United States issued Executive Order 13608, which stated "finding that efforts by foreign persons to engage in activities intended to evade United States economic and financial sanctions with respect to Syria and Iran undermine United States efforts to address the national emergencies declared in Executive Order 13338, Executive Order 12957, Executive Order 12938 and Executive Order 13224, and taking additional steps pursuant to those national emergencies".

On 22 April 2012, the President of the United States issued Executive Order 13606, which stated "determining that the commission of serious human rights abuses against the people of Syria and Iran by their governments, facilitated by computer and network disruption, monitoring, and tracking by those governments, threatens the national security and foreign policy of the United States". Executive Order 13606 is designed primarily to address the need to prevent entities located in whole or in part in Syria and Iran from facilitating or committing serious human rights abuses and takes additional steps with respect to the national emergencies declared in Executive Order 13338 and Executive Order 12957, while recognizing the vital importance of providing technology that enables the Syrian and Iranian people to communicate with each other and the outside world, and of the preservation of global telecommunications supply chains to enable the free flow of information".

On 17 August 2011, the President of the United States issued Executive Order 13582, which stated "taking additional steps with respect to the Government of Syria's continuing escalation of violence against the people of Syria and with respect to the national emergency declared in Executive Order 13338 and expanded in scope in Executive Order 13572".

On 18 May 2011, the President of the United States issued Executive Order 13573, which stated "taking additional steps with respect to the Government of Syria's continuing escalation of violence against the people of Syria and with respect to the national emergency declared in Executive Order 13338 and expanded in scope in Executive Order 13572".

On 29 April 2011, the President of the United States issued Executive Order 13572, which stated "expanding the scope of the national emergency declared in Executive Order 13338, finding that the Government of Syria's human rights abuses constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States".

On 13 February 2008, the President of the United States issued Executive Order 13460, which stated "finding that the Government of Syria continues to engage in certain conduct that formed the basis for the national emergency declared in Executive Order 13338 and that the conduct of certain members of the Government of Syria and other persons contributing to public corruption related to Syria enables the Government of Syria to continue to engage in certain conduct that formed the basis for the national emergency declared in Executive Order 13338, and to take additional steps with respect to the national emergency declared in Executive Order 13338".

On 25 April 2006, the President of the United States issued Executive Order 13399, which determined, among other things, that “it is in the interests of the United States to assist the Government of Lebanon in identifying and holding accountable those persons who were involved in planning, sponsoring, organizing, or perpetrating the terrorist act that resulted in the assassination of former Prime Minister of Lebanon Rafiq Hariri and the deaths of 22 others, and taking additional steps with respect to the national emergency declared in Executive Order 13338”.

European Union

In general, the European Union has gradually introduced comprehensive restrictive measures, starting in May 2011 and valid until 1 June 2017.[3] They consist in:

- Export ban on arms and related materiel and on equipment. The ban also includes a prohibition on related technical or financial assistance.
- Import ban on crude oil and petroleum products from Syria. The prohibition concerns the import, purchase and transport of such products as well as related finance and insurance. The ban also includes a prohibition on related technical and financial assistance.
- Ban on investment in the Syrian oil industry and in companies engaged in the construction of new power plants for electricity production in Syria. This covers loans and credits, acquisition or extension of participations and the creation of joint ventures.
- Prohibition from participating in the construction of new power plants, including related technical or financial assistance.
- Ban on exports to Syria of key equipment and technology for the oil and gas industry. The ban also includes a prohibition on related technical and financial assistance.
- The assets of the Central Bank of Syria within the European Union are frozen and it is prohibited to make funds or economic resources available, but the provision allows for legitimate trade to continue under strict conditions.
- Ban on trade in gold, precious metals and diamonds with Syrian public bodies and the Central Bank.
- Ban on supplying banknotes and coinage to the Central Bank of Syria.
- Member States must not give new grants and concessional loans to the Syrian Government.
- Export ban on equipment, technology or software primarily intended for monitoring or interception of the Internet or telephone communications.
- No disbursements and payments in connection with existing loan agreements between Syria and the European Investment Bank, as well as the suspension of technical assistance contracts relating to projects in Syria.
- Prohibition from trading Syrian public or public guaranteed bonds to or from the Government of Syria or its public bodies and Syrian financial institutions. No brokering or issuing services for such bonds are allowed.
- Prohibition for Syrian financial institutions from opening new branches or subsidiaries in the European Union or establishing new joint ventures or new

[3] See European Union restrictive measures in force, available from http://eeas.europa.eu/archives/docs/cfsp/sanctions/docs/measures_en.pdf.

correspondent banking relationships with European Union banks. European Union banks are prohibited from opening offices or accounts in Syria.

- Member States are to restrain short- and medium-term financial support for trade with Syria, including export credits, guarantees and insurance. No more long-term support.
- No insurance or reinsurance to the Syrian Government, public bodies, corporations or agencies (except health and travel insurance or compulsory third party insurance for Syrian persons or entities in the European Union).
- Cargo flights operated by Syrian carriers may not have access to European Union airports (except mixed passenger and cargo flights).

On 31 May 2013, in Council Decision 2013/255/CFSP, the European Union Council[4] agreed to adopt restrictive measures against Syria in the following fields, as specified in Council Decision 2012/739/CFSP of 29 November 2012 concerning restrictive measures against Syria:

- Export and import restrictions, with the exception of arms and related material and equipment which might be used for internal repression
- Restrictions on financing of certain enterprises
- Restrictions on infrastructure projects
- Restrictions on financial support for trade
- Financial sector
- Transport sector
- Restrictions on admission
- Freezing of funds and economic resources.

The European Union approved further sanctions against Syria in Implementing Council Regulation EU No. 168/2012 of 27 February 2012 amending Regulation (EU) No. 36/2012 concerning restrictive measures in view of the situation in Syria:

- Imposing an asset freeze on the Central Bank of Syria
- Banning transactions of gold and other precious metals
- Banning cargo flights operated by Syrian carriers
- Designating seven Ministers of the Syrian Government to be subject to restrictive measures.

In January 2012, Council Regulation (EU) No. 36/2012 of 18 January 2012 concerning restrictive measures in view of the situation in Syria and repealing Regulation (EU) No. 442/2011 was adopted.

The Council expanded the scope of its measures against Syria by way of Council regulations on 2 September, 23 September, 13 October and 14 November 2011, as well as making amendments and additions to the list of targeted persons and entities through successive Council implementing regulations. Further measures, which do not fall within the scope of Union law, are set out in the corresponding CFSP decisions of the Council.

In May 2011, Council Regulation (EU) No. 442/2011 of 9 May 2011 concerning restrictive measures against Syria was adopted.

[4] See http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:147:0014:0045:EN:PDF.

The sale, supply, transfer or export of arms and related material of all types, including weapons and ammunition, military vehicles and equipment, paramilitary equipment and spare parts for the aforementioned, as well as equipment which might be used for internal repression, to Syria by nationals of member States or from the territories of member States or using their flag vessels or aircraft, shall be prohibited, whether originating or not in their territories.

League of Arab States

On 27 November 2011 and 3 December 2011, the League of Arab States imposed unilateral coercive measures against Syria in an unprecedented move by the League against an Arab State. These measures include:

- Syrian officials and very important persons (VIPs) are banned from travelling to Arab States
- Asset freeze of (named) Syrian officials and VIPs
- Arms embargo
- Flights of Arab airlines to Syria are to be stopped
- All dealings with the Central Bank of Syria and the State-owned Commercial Bank of Syria are suspended
- Financial dealings and trade agreements with the Syrian Government are halted
- Bank assets of the Syrian Government are frozen
- Arab financing of new projects in Syria is stopped
- The League prohibited the Arabic satellites (Arabsat, Nilesat, etc.) from broadcasting Syrian channels or providing any services to Syrian media outlets.

The Syrian Arab Republic has been suffering from the negative effects of unilateral economic measures since the date of their first imposition in 1979. However, these negative effects have seriously increased, affecting the various needs and basic rights of the Syrian people since 2011. A general and concise presentation of these effects can be summarized as follows:

- The ranking of the Syrian Arab Republic on the Human Development Index has fallen to the list of the least developed countries (*Human Development Report 2016*, issued by the United Nations Development Programme in March 2017).
- The serious negative impact of these illegitimate measures on the delivery of humanitarian assistance (report of the Economic and Social Commission for Western Asia on the impact of these measures on the delivery of humanitarian assistance), as well as undermining the ability of the Syrian people to meet their basic life needs, and harming the ability of the Syrian Government to provide basic services to its citizens, especially in the energy sector.
- The unilateral economic measures directly affect the ability of key economic sectors to carry out their functions effectively, particularly the sectors of banking, energy, health, industry, transportation, communications, internal and external trade, local currency and high and rising prices of all essential materials and services, etc.
- These illegal measures also indirectly affect many sectors in Syria, particularly education, investment and investment in development, as well as create obstacles to the rehabilitation of infrastructure.

- These unilateral coercive measures also affect the possibility of cooperation or work with any foreign party, including Governments and private sectors. The unilateral economic measures impede, by their nature, any foreign company or Government contracting with the Syrian Government or any Syrian company or individual, because of serious concerns of being subject to financial and banking penalties and the prohibition on dealing with them by the States that are imposing these unilateral measures. These unilateral measures therefore prevent the provision of basic necessities to the Syrian people and the conclusion of maintenance and rehabilitation contracts and will subsequently impede the carrying out of any reconstruction projects, rehabilitation of infrastructure and achievement of economic and social development goals and objectives.

In paragraph 2 of its resolution 70/185, the General Assembly urged the international community to take urgent and effective measures to put an end to the use of unilateral coercive economic measures against developing countries, since these measures are not authorized by the relevant organs of the United Nations and they contradict the principles of international law and the Charter and violate the basic principles of the multilateral trading system.

However, the legal and ethical dilemma and paradox, to which the United Nations today has the primary responsibility to provide serious and effective solutions, are that there are no international legal mechanisms to challenge these unilateral measures. These illegitimate measures will continue to reflect a bitter international reality in which some States and economic groups exert their influence and dominance over developing countries. As a result, annual resolutions of the General Assembly and annual reports of the Secretary-General, while important, will not alone put an end to injustice imposed on peoples, States, individuals and institutions that fall victim to such illegal unilateral economic measures.

Yemen

[Original: English]
[15 May 2017]

Yemen is against unilateral measures as an instrument of political coercion. Mostly, the most vulnerable groups are the most affected by such measures.

Yemen was affected by unilateral economic measures during the period from 2014 to 2016.