



Resolution 1020 (1994)¹

Economic consequences and problems for neighbouring countries arising from the implementation of United Nations sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro)

Parliamentary Assembly

1. The Assembly deplores the tragic loss of life and the flagrant violations of human rights taking place as a result of the conflict in the former Yugoslavia.
2. The Assembly recalls its [Resolution 1004 \(1993\)](#) on the United Nations sanctions against Serbia and Montenegro and expresses concern over the economic problems confronting, in particular, certain neighbouring countries as a result of the implementation of relevant United Nations Security Council resolutions.
3. The Assembly is aware of the economic consequences suffered by several countries as a result of the implementation of the United Nations sanctions against Serbia and Montenegro, in accordance with Security Council Resolutions 713 (1991), 757 (1992), 787 (1993) and 820 (1993). It has sought and received information as to such consequences from third countries which are either members of the Council of Europe, or whose parliaments enjoy special guest status with the Assembly.
4. In evaluating the above information the Assembly has become acutely aware of the very serious economic problems confronting these countries, as a result of the disruption of the trade links among them, and also of their commerce with other parts of the world, in particular Europe and the Middle East. It fears that these problems will seriously impair these countries' social and economic development, coming at a particularly crucial time of transition to a market economy and the strengthening of democracy.
5. It underlines in particular the importance of the consequences resulting from the interruption of a railroad axis and other transport links which, in the past, connected south-east Europe with western and central Europe.
6. Accordingly, the Assembly:
 - 6.1. commends the governments of third countries seriously affected by the sanctions against Serbia and Montenegro for the efforts they are making to implement them, in spite of the considerable economic losses they have suffered;
 - 6.2. recognises the urgent need to assist them in mastering their economic, social and other difficulties resulting from these efforts.
7. The Assembly in consequence appeals to member states of the Council of Europe and to the European Union:
 - 7.1. to take appropriate action within the United Nations Sanctions Committee in order to facilitate the earliest possible approval of the proposed procedures for transshipments through the territory of Serbia and Montenegro under United Nations surveillance;

1. Assembly debate on 25 January 1994 (3rd Sitting) (see [Doc. 6979](#), report of the Committee on Economic Affairs and Development, Rapporteur: Mr Pirinski). Text adopted by the Assembly on 25 January 1994 (3rd Sitting).



- 7.2. to facilitate procedures within the United Nations administration of sanctions for the approval of requests for medical supplies to Serbia and Montenegro by suppliers from neighbouring countries;
 - 7.3. to give urgent consideration to the execution of projects for improving road, railway, bridge and tunnel facilities to expand the transport infrastructure around the sanctions area in order to ensure early implementation at advantageous financing conditions;
 - 7.4. to provide special material, technical and financial assistance to third countries most affected by the United Nations sanctions against Serbia and Montenegro, designed to mitigate the damage they have suffered and continue to suffer;
 - 7.5. in particular, to consider granting them improved market access and other favourable trade conditions in order to help them solve the immediate and dramatic difficulties they are facing as a result of their complying with the embargo;
 - 7.6. to continue their assistance to the affected countries in order to facilitate the successful advance of their economic reform process and to give careful consideration to the possibilities of establishing a compensation facility in order to provide additional financial assistance or possible debt-servicing relief.
8. The Assembly furthermore invites the European Union, the European Bank for Reconstruction and Development, the World Bank, the International Monetary Fund and the Council of Europe's Social Development Fund, as well as other international organisations concerned, to review their programmes of assistance or loans to these countries, with a view to alleviating their economic hardship arising from compliance with the sanctions.
9. Finally, the Assembly invites the United Nations Security Council:
- 9.1. to ensure effective implementation of Article 50 of the Charter of the United Nations regarding the compensation of third countries for losses they have incurred through the sanctions;
 - 9.2. in future, wherever possible, to agree before sanctions are applied on the principles which should guide compensation to affected third countries.