

Measures for the prevention of financing the manufacturers of anti-personnel mines, cluster munitions and submunitions.

Article 1
(*Scope*)

1. This law totally prohibits the financing of any companies, whatever their legal personality, whether registered in Italy or abroad, which directly, or through their subsidiaries or affiliated companies within the meaning of article 2359 of the civil code, engage in the manufacture, production, development, assembly, servicing, use, utilisation, stock-piling, storage, possession, promotion, sale, distribution, importation, exportation, transfer or transportation of anti-personnel mines, cluster munitions and submunitions, regardless of their nature or composition, or their component parts. It also prohibits to engage in technological research, fabricate, sell or lease, by whatever title, export, import, and possess cluster munitions and submunitions, regardless of their nature or composition, or their component parts.

2. The companies referred to in paragraph (1) are prohibited from participating in any government-financed tenders or programmes.

3. The prohibitions referred to in paragraph (1) also apply to all registered intermediaries as defined in article 2(1)(a). Foundations and pension funds are also prohibited from investing their assets in the activities identified in paragraph (1).

Article 2
(*Definitions*)

1. For the purposes of this law, the following definitions shall apply:

a) "Registered intermediaries" are Italian stock-broking firms (SIM), Italian banks, Italian Investment Companies (SGR), open-end investment funds (SICAV), financial intermediaries registered pursuant to article 106 of the consolidated law enacted as Legislative decree 1 September 1993 no. 385, including joint guarantors, banks of EU member states, EU investment companies, non-EU banks, stockbrokers registered with the Ministry of the Economy and Finance, and Bank Foundations and pension funds;

b) "Financing" means the provision of any kind of financial support, also channelled through subsidiary companies registered in Italy or abroad which, purely by way of example and not exhaustively, grant credit in any form, issue financial guarantees, acquire shares, acquire or underwrite financial instruments issued by the companies referred to in this article;

c) "Anti-personnel mine" pursuant to article 2(1) and (2) of the the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Distribution, signed in Ottawa on 3 December 1997, and Law 26 March 1999 n.106, means a mine designed to be exploded by the presence, proximity or contact of a person and that will incapacitate, injure or kill one or more persons. Mines designed to be detonated by the presence, proximity or contact of a vehicle as opposed to a person, that are equipped with anti-tampering devices, are not considered anti-personnel mines as a result of being so equipped.

d) "Mine" means a munition designed to be placed under, on or near the ground or other surface area and to be exploded by the presence, proximity or contact of a person or a vehicle.

e) "Cluster munitions or submunitions", within the meaning of article 2 of the Oslo Convention banning Cluster Munitions done in Dublin on 30 May 2008, ratified by Law 14 June 2011 no. 95, means any conventional munition that is designed to disperse or release explosive submunitions each weighing less than 20 kilograms, notwithstanding those excluded under paragraph (2) a), b) and c) of article 2 of the same Convention;

f) "Oversight authorities", means the Bank of Italy, *l'Istituto per la vigilanza sulle assicurazioni (IVASS)*, *la Commissione di vigilanza sui fondi pensione (COVIP)* and any other authorities with the statutory responsibility to oversee the registered intermediaries referred to in letter a).

Article 3
(Remit of the oversight authorities)

1. Within six months of the entry into force of this law, the oversight authorities, acting jointly, shall issue instructions for ensuring enhanced oversight of the registered intermediaries in order to prevent the financing of the production, use, assembly, servicing, promotion, sale, distribution, importation, exportation, stockpiling, possession or transport of anti-personnel mines, cluster munitions and submunitions, and their components. Within the same deadline, the oversight authorities shall also draft and publish the list of companies referred to in article 1 (1), and shall indicate the office which is responsible for publishing the annual list.

2. The remit of the Financial Intelligence Unit for Italy (UIF) instituted at the Bank of Italy by Legislative Decree 21 November 2007 n. 231, is hereby extended to include controlling financial flows to the companies referred to in article 1 (1).

Article 4
(Remit of the intermediaries)

1. Within ninety days of the publication of the list referred to in article 3 (1), the financial intermediaries shall exclude from the range of the products they offer, any component which may provide financial support to the companies included in the aforementioned list.

Article 5
(Verification)

1. In order to ensure compliance with the prohibitions referred to in article 1, the Bank of Italy may request the registered intermediaries, within the meaning of article 2(1)(a) to provide data, information, documents and papers, and if necessary may conduct inspections on their premises.

2. In the course of inspecting and overseeing the companies under their supervision, the oversight authorities shall also conduct specific checks in order to assess compliance with the prohibitions provided by this law.

Article 6
(Penalties)

1. Any registered intermediaries which fail to comply with the prohibitions provided by article 1 shall be liable for an administrative fine of between €150,000 and €1,500,000, in all the cases provided by article 5 of Legislative Decree 8 June 2001 n. 231.

2. Any individuals who administer or manage registered intermediaries, or, acting on their own account to exercise oversight, who fail to comply with the prohibitions provided by article 1, shall be liable to an administrative fine of between €50,000 and €250,000.

3. Any individual who has been sanctioned with an administrative fine provided by this article shall – for a period between two months and three years – temporarily lose their status as ‘fit and proper persons’ to work as legal representatives of the registered intermediaries, market management companies, auditors and financial promoters; legal representatives of listed companies shall be disqualified from working as executives, directors and supervisors of companies belonging to the same group as a listed company above.

Art. 7

(Entry into force).

1. This law shall come into force on the day following its publication in the Official Gazette.