

Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom

#### *Article 1*

This Regulation provides protection against and counteracts the effects of the extra-territorial application of the laws specified in the Annex of this Regulation, including regulations and other legislative instruments, and of actions based thereon or resulting therefrom, where such application affects the interests of persons, referred to in Article 11, engaging in international trade and/or the movement of capital and related commercial activities between the [<sup>F1</sup>United Kingdom] and [<sup>F2</sup>other] countries.

[<sup>F3</sup>The [<sup>F4</sup>Secretary of State may by regulations made by statutory instrument amend the Annex to this Regulation to add] laws, regulations or other legislative instruments of [<sup>F5</sup>other] countries having extraterritorial application and causing adverse effects <sup>F6</sup> ..., and to delete laws, regulations or other legislative instruments when they no longer have such effects.]

#### **Textual Amendments**

- F1** Words in Art. 1 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(a)(i)**
- F2** Word in Art. 1 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(a)(ii)**
- F3** Substituted by [Regulation \(EU\) No 37/2014 of the European Parliament and of the Council of 15 January 2014 amending certain regulations relating to the common commercial policy as regards the procedures for the adoption of certain measures](#).
- F4** Words in Art. 1 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(b)(i)**
- F5** Word in Art. 1 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(b)(ii)**
- F6** Words in Art. 1 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(b)(iii)**

#### *Article 2*

Where the economic and/or financial interests of any person referred to in Article 11 are affected, directly or indirectly, by the laws specified in the Annex or by actions based thereon or resulting therefrom, that person shall inform the [<sup>F7</sup>Secretary of State] accordingly within 30 days from the date on which it obtained such information; insofar as the interests of a legal person are affected, this obligation applies to the directors, managers and other persons with management responsibilities<sup>(1)</sup>.

At the request of the [<sup>F7</sup>Secretary of State], such person shall provide all information relevant for the purposes of this Regulation in accordance with the request from the [<sup>F7</sup>Secretary of State] within 30 days from the date of the request.

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*Changes to legislation:* There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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**Textual Amendments**

- F7** Words in Art. 2 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(3)(a)**
- F8** Words in Art. 2 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(3)(b)**

*Article 3*

All information supplied in accordance with Article 2 shall only be used for the purposes for which it was provided.

Information which is by nature confidential or which is provided on a confidential basis shall be covered by the obligation of professional secrecy. It shall not be disclosed by the [F9Secretary of State] without the express permission of the person providing it.

Communication of such information shall be permitted where the [F9Secretary of State] is obliged or authorized to do so, in particular in connection with legal proceedings. Such communication must take into account the legitimate interests of the person concerned that his or her business secrets should not be divulged.

This Article shall not preclude the disclosure of general information by the [F9Secretary of State]. Such disclosure shall not be permitted if this is incompatible with the original purpose of such information.

In the event of a breach of confidentiality, the originator of the information shall be entitled to obtain that it be deleted, disregarded or rectified, as the case may be.

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**Textual Amendments**

- F9** Words in Art. 3 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(4)**

*Article 4*

No judgment of a court or tribunal and no decision of an administrative authority located outside the [F10United Kingdom] giving effect, directly or indirectly, to the laws specified in the Annex or to actions based thereon or resulting there from, shall be recognized or be enforceable in any manner.

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**Textual Amendments**

- F10** Words in Art. 4 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(5)**

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*Changes to legislation:* There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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### Article 5

No person referred to in Article 11 shall comply, whether directly or through a subsidiary or other intermediary person, actively or by deliberate omission, with any requirement or prohibition, including requests of foreign courts, based on or resulting, directly or indirectly, from the laws specified in the Annex or from actions based thereon or resulting therefrom.

[<sup>F11</sup>The Secretary of State may by regulations made by statutory instrument—

- a authorise persons to comply fully or partially with any requirement or prohibition referred to in the first paragraph of this Article to the extent that non-compliance would seriously damage their interests or those of the United Kingdom;
- b make provision in connection with the making and consideration of applications to be so authorised.]

#### Textual Amendments

- F11** Words in art. 5 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(6)** (with reg. 6)

### Article 6

Any person referred to in Article 11, who is engaging in an activity referred to in Article 1 shall be entitled to recover any damages, including legal costs, caused to that person by the application of the laws specified in the Annex or by actions based thereon or resulting therefrom.

Such recovery may be obtained from the natural or legal person or any other entity causing the damages or from any person acting on its behalf or intermediary.

<sup>F12</sup>

Without prejudice to other means available and in accordance with applicable law, the recovery could take the form of seizure and sale of assets held by those persons, entities, persons acting on their behalf or intermediaries within the [<sup>F13</sup>United Kingdom], including shares held in a legal person incorporated within the [<sup>F13</sup>United Kingdom].

#### Textual Amendments

- F12** Words in Art. 6 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(7)(a)**
- F13** Words in Art. 6 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(7)(b)**

### Article 7

For the implementation of this Regulation the [<sup>F14</sup>Secretary of State] shall:

- (a) [<sup>F15</sup>as regards the effects of the laws, regulations and other legislative instruments and ensuing actions mentioned in Article 1, and on the basis of the information obtained under this Regulation, make regularly a full public report thereon.]

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**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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- (b) F16 ...
- (c) F16 ...
- (d) F16 ...
- (e) F16 ...

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**Textual Amendments**

- F14** Words in Art. 7 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(8)(a)**
- F15** Art. 7(a) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(8)(b)**
- F16** Art. 7(b)-(e) omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(8)(d)**

*F17* Article 8

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**Textual Amendments**

- F17** Art. 8 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(9)**

*F18* Article 9

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**Textual Amendments**

- F18** Art. 9 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(10)**

*F19* Article 10

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**Textual Amendments**

- F19** Art. 10 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(11)**

Article 11

This Regulation shall apply to:

*Changes to legislation: There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)*

1. any natural person [<sup>F20</sup>who is resident in the United Kingdom] and a national of [<sup>F21</sup>the United Kingdom],
2. any legal person incorporated [<sup>F22</sup>in any part of the United Kingdom],
3. [<sup>F23</sup>a national of the United Kingdom providing maritime transport services, or any legal person (wherever incorporated) providing such services and controlled by a national of the United Kingdom, where the vessel is registered in the United Kingdom,]
4. any other natural person [<sup>F24</sup>resident in the United Kingdom], unless that person is in the country of which he is a national,
5. any other natural person [<sup>F25</sup>in the United Kingdom], including its territorial waters and air space and in any aircraft or on any vessel under the jurisdiction or control of [<sup>F26</sup>the United Kingdom], acting in a professional capacity.

[<sup>F27</sup>For the purposes of this Article, a natural person is resident in the United Kingdom where that person has been so resident for a period of at least six months within the 12-month period immediately prior to the date on which, under this Regulation, an obligation arises or a right is exercised.

For the purposes of this Article, “a national of the United Kingdom” means—

- a British citizen, a British overseas territories citizen, a British National (Overseas) or a British Overseas citizen;
- b a person who, under the British Nationality Act 1981, is a British subject;
- c a British protected person within the meaning of that Act.]

#### Textual Amendments

- F20** Words in Art. 11(1) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(a)(i)**
- F21** Words in Art. 11(1) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(a)(ii)**
- F22** Words in Art. 11(2) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(b)**
- F23** Art. 11(3) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(c)**
- F24** Words in Art. 11(4) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(e)**
- F25** Words in Art. 11(5) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(f)(i)**
- F26** Words in Art. 11(5) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(f)(ii)**

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**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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**F27** Words in Art. 11 inserted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(g)**

*<sup>F28</sup>Article 11a*

- 1 Regulations under Articles 1 or 5 may make—
  - a different provision with respect to different cases or descriptions of case;
  - b incidental, supplementary or consequential provision;
  - c transitional, transitory or saving provision.
- 2 A statutory instrument containing regulations under Article 1 or point (b) of the second paragraph of Article 5 is subject to annulment in pursuance of a resolution of either House of Parliament.]

**Textual Amendments**

**F28** Art. 11a substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(13)**

*Article 12*

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

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**Textual Amendments**

**F29** Words in [Signature](#) omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(14)**

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**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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- (1) Information should be supplied to the following address: European Commission, Directorate General I, Rue de la Loi/Wetstraat 200, B — 1049 Brussels (fax (32-2) 295 65 05).

**Changes to legislation:**

There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96.