

Regulations made by the Secretary of State, laid before Parliament under section 55(3) of the Sanctions and Anti-Money Laundering Act 2018, for approval by resolution of each House of Parliament within twenty-eight days beginning with the day on which the instrument was made, subject to extension for periods of dissolution, prorogation or adjournment of both Houses for more than four days.

STATUTORY INSTRUMENTS

2024 No. 695

SANCTIONS

The Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2024

<i>Made</i>	- - - -	<i>23rd May 2024</i>
<i>Laid before Parliament</i>		<i>24th May 2024</i>
<i>Coming into force</i>	- -	<i>28th May 2024</i>

The Secretary of State⁽¹⁾, considering that the condition in section 45(2) of the Sanctions and Anti-Money Laundering Act 2018⁽²⁾ is met, makes the following Regulations in exercise of the powers conferred by sections 1, 11(5), 14(8) and 45 of that Act.

Citation and commencement

1.—(1) These Regulations may be cited as the Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2024.

(2) These Regulations come into force on 28th May 2024.

Amendment of the Russia (Sanctions) (EU Exit) Regulations 2019

2. The Russia (Sanctions) (EU Exit) Regulations 2019⁽³⁾ are amended as follows.

3. In regulation 6 (designation criteria)—

(a) in paragraph (3), after sub-paragraph (g), insert—

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- (1) The power to make regulations under Part 1 of the Sanctions and Anti-Money Laundering Act 2018 (c. 13) is conferred on an appropriate Minister. Section 1(9)(a) of the Act defines an “appropriate Minister” as including the Secretary of State.
- (2) 2018 (c. 13). Section 1 is amended by the Economic Crime (Transparency and Enforcement) Act 2022 (c. 10) (“the 2022 Act”), section 57(2) and by the Economic Crime and Corporate Transparency Act 2023 (c. 56) section 35(2). Section 45 is amended by the 2022 Act, sections 57(4) and 62(3).
- (3) S.I. 2019/855, as amended by S.I. 2020/590; S.I. 2020/951; S.I. 2022/123; S.I. 2022/194; S.I. 2022/195; S.I. 2022/203; S.I. 2022/205; S.I. 2022/241; S.I. 2022/395; S.I. 2022/452; S.I. 2022/477; S.I. 2022/500; S.I. 2022/792S.I. 2022/801; S.I. 2022/814; S.I. 2022/818; S.I. 2022/850; S.I. 2022/1110; S.I. 2022/1122; S.I. 2022/1331; S.I. 2023/149; S.I. 2023/440; S.I. 2023/665; S.I. 2023/713; 2023/1364, 2023/1367, 2024/218, 2024/643, and by the Sentencing Act 2020 (c. 17).

- “(h) the person owns or controls directly or indirectly (within the meaning of regulation 7), or is working as a director (whether executive or non-executive), trustee, or other manager or equivalent of, a person, other than an individual, which falls within sub-paragraphs (a) to (g);
 - (i) the person holds the right, directly or indirectly, to nominate at least one director (whether executive or non-executive), trustee or equivalent of a person, other than an individual, which falls within sub-paragraphs (a) to (g).”;
 - (b) in paragraph (4), after sub-paragraph (e), insert—
 - “(f) providing financial services, or making available funds, economic resources, goods or technology, to a person who falls within sub-paragraphs (a) to (e).”;
 - (c) in paragraph (4A)—
 - (i) in sub-paragraph (k), after “Government of Russia-affiliated entity,” omit “or”;
 - (ii) in sub-paragraph (l), for “Government of Russia-affiliated entity.” substitute “Government of Russia-affiliated entity, or”;
 - (iii) after sub-paragraph (l), insert—
 - “(m) a person providing financial services, or making available funds, economic resources, goods or technology, to a person who falls within sub-paragraphs (a) to (l).”.
- 4. In regulation 57F (specification of ships)—
 - (a) for paragraph (4), substitute—
 - “(4) For the purposes of this regulation, a ship is “involved in a relevant activity” if the ship is used for any activity whose object or effect is—
 - (a) to destabilise Ukraine or undermine or threaten the territorial integrity, sovereignty or independence of Ukraine,
 - (b) to obtain a benefit from or support the Government of Russia, or
 - (c) to contravene or circumvent, or to enable or facilitate the contravention or circumvention of, any provision of these Regulations.”.
 - (b) after paragraph (4), insert—
 - “(5) For the purposes of paragraph (4), an activity whose object or effect is to destabilise Ukraine or undermine or threaten the territorial integrity, sovereignty or independence of Ukraine, or to obtain a benefit from or support the Government of Russia, includes carrying—
 - (a) dual-use goods or military goods—
 - (i) from a place in Russia to a third country,
 - (ii) from a third country to a place in Russia or non-government controlled Ukrainian territory, or
 - (iii) from one third country to another third country for use in Russia or non-government controlled Ukrainian territory,
 - (b) oil and oil products that originated in Russia—
 - (i) from a place in Russia to a third country, or
 - (ii) from one third country to another third country,
 - (c) any other goods or technology that could contribute to destabilising Ukraine or undermining or threatening the territorial integrity, sovereignty or independence of Ukraine—

- (i) from a place in Russia to a third country,
- (ii) from a third country to a place in Russia or non-government controlled Ukrainian territory,
- (iii) from one third country to another third country for use in Russia or non-government controlled Ukrainian territory, or
- (iv) from a place in non-government controlled Ukrainian territory to a place in Russia or a third country.

(6) For the purpose of paragraph (5), “carrying” includes any transfer of the goods or technology concerned between ships on which those goods or technology are being carried as mentioned in that paragraph.

(7) In this regulation—

“dual-use goods”, “military goods” and “oil and oil products” have the same meaning as in Part 5 (Trade);

“third country” means a country that is not the United Kingdom, the Isle of Man, Russia, or non-government controlled Ukrainian territory.”.

Anne-Marie Trevelyan
Minister of State
Foreign, Commonwealth and Development
Office

23rd May 2024

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made under the Sanctions and Anti-Money Laundering Act 2018 (c. 13) to amend the Russia (Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/855) (“the 2019 Regulations”).

Regulation 3 makes amendments to the designation criteria in regulation 6 of the 2019 Regulations to specify additional activities for which a person may be designated.

Regulation 4 makes amendments to the ship specification criteria in regulation 57F of the 2019 Regulations to specify additional activities for which a ship may be specified.

A full impact assessment has not been produced for these Regulations as no, or no significant, impact is foreseen on the private, voluntary or public sectors in the United Kingdom. A de minimis assessment has been prepared as this instrument is likely to entail some costs for businesses, but the net impact is estimated to be below £5 million per year. A full impact assessment was, however, produced for the Sanctions and Anti-Money Laundering Act 2018 and can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/653271/Sanctions_and_Anti-Money_Laundering_Bill_Impact_Assessment_18102017.pdf.