

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made in exercise of the powers conferred by section 8(1) of the European Union (Withdrawal) Act 2018 (c. 16) in order to address failures of retained EU law to operate effectively and other deficiencies (in particular under paragraphs (a), (b) and (c) of section 8(2) of that Act) arising from the withdrawal of the UK from the European Union.

These Regulations amend Regulation (EC) No 1889/2005 of the European Parliament and of the Council of 26 October 2005 on controls of cash entering or leaving the Community, save that regulation 1 provides that those amendments do not have effect in relation to any person entering Northern Ireland from the Republic of Ireland or exiting Northern Ireland to the Republic of Ireland. Regulation 1 also provides that these Regulations come into force on the later of exit day or the day after the day on which they are made.

Regulation 2 provides that the obligation to make a declaration arises upon entering or leaving the United Kingdom and for declarations to be made to HMRC. The threshold for making a declaration is restated in sterling. That regulation also revokes provisions which are no longer relevant after exit day. It also restates the provisions allowing detention of cash in the event of failing to declare and allowing disclosure of information on illegal activity to other territories without reference to EU Member States or third countries.

This instrument is covered by an overarching HMRC impact assessment (second edition) which is published and available on the website at <https://www.gov.uk/government/collections/customs-vat-and-excise-regulations-leaving-the-eu-with-no-deal>.