
STATUTORY INSTRUMENTS

2000 No. 3241

UNITED NATIONS

The Iraq (United Nations Sanctions) Order 2000

Made - - - - *13th December 2000*
Laid before Parliament *13th December 2000*
Coming into force - - *14th December 2000*

At the Court at Buckingham Palace, the 13th day of December 2000

Present,

The Queen's Most Excellent Majesty in Council

Whereas under Article 41 of the Charter of the United Nations the Security Council of the United Nations have, by a resolution adopted on 6th August 1990, called upon Her Majesty's Government in the United Kingdom and all other States to apply certain measures to give effect to a decision of that Council in relation to Iraq;

Now, therefore, Her Majesty, in exercise of the powers conferred on Her by section 1 of the United Nations Act 1946(1), is pleased, by and with the advice of Her Privy Council to order, and it is hereby ordered, as follows:

Citation, commencement, operation and extent

1.—(1) This Order may be cited as the Iraq (United Nations Sanctions) Order 2000, and shall come into force on 14th December 2000.

(2) If, after the making of this Order, the Security Council of the United Nations take a decision which has the effect of cancelling, amending or suspending the operation of the resolution adopted by them on 6th August 1990 in whole or in part, this Order shall cease to have effect or be deemed to be amended, or its operation shall be suspended, in whole or in part, as the case may be, in accordance with that decision; and particulars of that decision shall be published by the Secretary of State in a notice in the London, Edinburgh and Belfast Gazettes.

(3) Articles 2 to 7 and 9 of this Order apply to any person within the United Kingdom, and to any person elsewhere who—

- (a) is a British citizen, a British Dependent Territories citizen, a British overseas citizen, a British National (Overseas), a British subject or a British protected person; or

(1) 1946 c. 45.

- (b) is a body corporate incorporated or constituted under the law of any part of the United Kingdom.

Interpretation

2. In this Order—

“body corporate” includes a Scottish partnership (and in relation to such a partnership, a reference to a director or other officer of a body corporate is a reference to a partner);

“document” includes information recorded in any form, and in relation to information recorded otherwise than in legible form, references to its production include references to producing a copy of the information in legible form;

“funds” means financial assets and economic benefits of any kind, including (but not limited to) gold coin, gold bullion, cash, cheques, claims on money, drafts, money orders and other payment instruments; deposits with financial institutions or other entities, balances on accounts, debts and debt obligations; securities and debt instruments (including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures, debenture stock and derivatives contracts); interest, dividends or other income on or value accruing from or generated by assets; credit, rights of set-off, guarantees, performance bonds or other financial commitments; letters of credit, bills of lading, bills of sale; documents evidencing an interest in funds or financial resources, and any other instrument of export financing;

“relevant institution” means—

- (a) an institution authorised under the Banking Act 1987(2);
- (b) a European authorised institution within the meaning of the Banking Coordination (Second Council Directive) Regulations 1992(3) which has lawfully established a branch in the United Kingdom for the purpose of accepting deposits or other repayable funds from the public; and
- (c) a building society within the meaning of the Building Societies Act 1986(4).

Making funds available to Iraq

3. Any person who, except under the authority of a licence granted by the Treasury under article 5—

- (a) makes any funds available to the government of the Republic of Iraq or any person who is resident in the Republic of Iraq, or
- (b) otherwise remits or removes any funds from the United Kingdom to a destination in the Republic of Iraq,

is guilty of an offence.

Freezing of funds on suspicion

4.—(1) Where the Treasury have reasonable grounds for suspecting that any funds held by any person are or may be—

- (a) funds of the government of the Republic of Iraq, or of a person who is resident in the Republic of Iraq, or
- (b) held on behalf of that government or any such person,

(2) 1987 c. 22.

(3) S.I.1992/3218, amended by S.I.s 1993/3225, 1995/1442, 1996/1669 and 1999/2094 and Chapter II of Part I of Schedule 5 to the Bank of England Act 1998 (c. 11).

(4) 1986 c. 53.

the Treasury may by notice direct that those funds are not to be made available to that government or that person, except under the authority of a licence granted by the Treasury under article 5.

(2) A notice given under paragraph (1) shall specify the period for which it is to have effect, which shall be not longer than 5 working days.

(3) In paragraph (2), “working day” means any day other than Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday under the Banking and Financial Dealings Act 1971⁽⁵⁾ in any part of the United Kingdom.

(4) The Treasury may by notice revoke a direction under paragraph (1) at any time.

(5) The expiry or revocation of a direction shall not affect the application of article 3 in respect of the funds in question.

(6) A notice under paragraph (1) or (4) shall be given in writing to the person holding the funds in question (“the recipient”), and shall require the recipient to send a copy of the notice without delay to the person whose funds they are, or on whose behalf they are held (“the owner”).

(7) A recipient shall be treated as complying with that requirement if, without delay, he sends a copy of the notice to the owner at his last-known address or, if he does not have an address for the owner, he makes arrangements for a copy of the notice to be supplied to the owner at the first available opportunity.

(8) Any person who contravenes a direction under paragraph (1) is guilty of an offence.

(9) A recipient who fails to comply with such a requirement as is mentioned in paragraph (6) is guilty of an offence.

Licences

5.—(1) A licence under this article shall be in writing and may be—

- (a) granted either generally or to one or more particular persons;
- (b) granted either absolutely or subject to compliance with such conditions as are specified in the licence;
- (c) either of indefinite duration or expressed to expire on a specified date.

(2) A licence granted to one or more particular persons may be revoked or varied at any time by written notice given by the Treasury to each of those persons.

(3) The Treasury shall publish a general licence in such manner as they think fit. A general licence may be revoked or varied at any time by written notice which shall be published by the Treasury in the same manner as the licence.

(4) Any person who, in doing or having done an act mentioned in article 3(a) or (b) or 4(1) under the authority of a licence, contravenes or fails to comply with a condition specified in the licence, is guilty of an offence, unless the condition is one imposed as a result of a variation of the licence made without his consent after he did the act.

(5) A notice under paragraph (2) may be given by post, and shall be deemed to have been given to a person if it is sent to him at his last-known address.

Facilitation of offences under article 3 or 4(8)

6. Any person who knowingly and intentionally engages in any activities the object or effect of which is to enable or facilitate the commission (by that person or another) of an offence under article 3 or 4(8) is guilty of an offence.

Offences in connection with applications for licences

7. Any person who, for the purposes of obtaining a licence under article 5, knowingly or recklessly makes any statement or furnishes any document or information which is false in a material particular is guilty of an offence.

Failure to disclose knowledge or suspicion of sanctions offences

8.—(1) A relevant institution is guilty of an offence if—

- (a) it knows or suspects that a person is resident in the Republic of Iraq, or has committed an offence under article 3, 4(8) or 5(4);
- (b) the person is, or has been at any time since the coming into force of this Order, a customer of the institution, or is a person with whom the institution has had dealings in the course of its business since that time; and
- (c) it does not disclose to the Treasury the information or other matter on which the knowledge or suspicion is based as soon as is reasonably practicable after that information or other matter comes to its attention.

(2) Where a relevant institution discloses to the Treasury—

- (a) its knowledge or suspicion that a person is resident in the Republic of Iraq, or has committed an offence under article 3, 4(8) or 5(4), or
- (b) any information or other matter on which that knowledge or suspicion is based,

the disclosure shall not be treated as a breach of any restriction imposed by statute or otherwise.

Obtaining of information

9.—(1) The Treasury may, by notice given to any person to whom this article applies, require that person to—

- (a) furnish any information in his possession or control and specified in the notice, or
- (b) produce any document in his possession or control and specified in the notice,

which the Treasury may require for the purpose of ensuring compliance with, or detecting evasion of, this Order.

(2) Any person to whom such a requirement is given shall comply with it within such time, in such manner and at such place as may be specified in the notice.

(3) A notice under paragraph (1) may be given by post, and shall be deemed to have been given to a person if it is sent to him at his last-known address.

(4) Nothing in this article shall require any person who has acted as counsel or solicitor for any person to furnish or produce any privileged information or document in his possession in that capacity.

(5) The furnishing of any information or the production of any document under this article shall not be treated as a breach of any restriction imposed by statute or otherwise.

(6) The power conferred by this article to require any person to produce documents shall include power to take copies of or extracts from any document so produced and to require that person or, where that person is a body corporate, any other person who is a present or past officer of, or is employed by, the body corporate, to provide an explanation of any such document.

(7) Any person who—

- (a) without reasonable excuse, refuses or fails to comply with any requirement under paragraph (1);

- (b) intentionally furnishes false information or a false explanation in purported compliance with a requirement under paragraph (1); or
- (c) with intent to evade the provisions of this article, destroys, mutilates, defaces, secretes or removes any document,

is guilty of an offence.

(8) Where a person is convicted of an offence under this article of failing to furnish any information or produce any document, the court may make an order requiring him, within such period as may be specified in the order, to furnish the information or produce the document.

Disclosure of information

10.—(1) No information furnished or document produced (including any copy or extract made of any document produced) by any person in pursuance of this Order shall be disclosed except—

- (a) with the consent of the person by whom the information was furnished or the document was produced: provided that a person who has obtained information or is in possession of a document only in his capacity as servant or agent of another person may not give consent for the purposes of this sub-paragraph but such consent may instead be given by any person who is entitled to that information or to possession of that document in his own right;
- (b) to any person holding or acting in any office under or in the service of—
 - (i) the Crown in respect of the Government of the United Kingdom;
 - (ii) the Government of the Isle of Man;
 - (iii) the States of Guernsey or Alderney or the Chief Pleas of Sark;
 - (iv) the States of Jersey; or
 - (v) the Government of any territory listed in the Schedule to this Order.
- (c) on the authority of the Treasury, to—
 - (i) any organ of the United Nations or any person in the service of the United Nations, or
 - (ii) the Government of, or any competent authority in, any other country,for the purpose of assisting the United Nations or that Government or authority in securing compliance with or detecting evasion of measures in relation to Iraq decided upon by the Security Council of the United Nations;
- (d) with a view to the initiation of, or otherwise for the purposes of, any investigation into the commission or possible commission of an offence under this Order; or
- (e) with a view to the institution of, or otherwise for the purposes of, any proceedings for an offence under this Order.

(2) Any person who, without reasonable excuse, discloses information or a document in contravention of paragraph (1) is guilty of an offence.

Penalties and proceedings

- 11.**—(1) Any person guilty of an offence under article 3, 4(8), 5(4) or 6 shall be liable—
- (a) on conviction on indictment to imprisonment for a term not exceeding seven years, or a fine, or both;
 - (b) on summary conviction to imprisonment for a term not exceeding six months, or a fine not exceeding the statutory maximum, or both.
- (2) Any person guilty of an offence under article 7, 9(7)(b) or (c) or 10(2) shall be liable—

- (a) on conviction on indictment to imprisonment for a term not exceeding two years, or a fine, or both;
- (b) on summary conviction to imprisonment for a term not exceeding three months, or a fine not exceeding the statutory maximum, or both.
- (3) Any person guilty of an offence under article 4(9), 8 or 9(7)(a) shall be liable on summary conviction to imprisonment for a term not exceeding three months, or a fine not exceeding level 5 on the standard scale, or both.
- (4) Where a body corporate is guilty of an offence under this Order, and that offence is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate or any person who was purporting to act in any such capacity, he, as well as the body corporate, shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.
- (5) Proceedings against any person for an offence under this Order may be taken before the appropriate court in the United Kingdom having jurisdiction in the place where that person is for the time being.
- (6) In England and Wales, subsection (2) of section 24 of the Police and Criminal Evidence Act 1984⁽⁶⁾ shall apply to the offences under this Order that are not arrestable offences by virtue of the term of imprisonment for which a person may be sentenced in respect of them, as if they were mentioned in that subsection; and accordingly such offences shall be arrestable offences within the meaning of that Act.
- (7) In Scotland, where a constable reasonably believes that a person has committed or is committing an offence under this Order, he may arrest that person without a warrant.
- (8) In Northern Ireland, paragraph (2) of Article 26 of the Police and Criminal Evidence (Northern Ireland) Order 1989⁽⁷⁾ shall apply to the offences under this Order that are not arrestable offences by virtue of the term of imprisonment for which a person may be sentenced in respect of them, as if they were mentioned in that paragraph; and accordingly such offences shall be arrestable offences within the meaning of that Order.
- (9) No proceedings for an offence under this Order, other than a summary offence, shall be instituted in England and Wales or Northern Ireland except by or with the consent of the Treasury or with the consent of the Attorney General or (as the case may be) the Attorney General for Northern Ireland:

Provided that this paragraph shall not prevent the arrest, or the issue or execution of a warrant for the arrest, of any person in respect of such an offence, or the remand in custody or on bail of any person charged with such an offence, notwithstanding that the necessary consent to the institution of proceedings for the offence has not been obtained.

Functions of the Treasury

12. The Treasury may, to such extent and subject to such restrictions and conditions as they may think proper, delegate or authorise the delegation of any of their functions under this Order to any person, or class or description of persons, approved by them, and references in this Order to the Treasury shall be construed accordingly.

⁽⁶⁾ 1984 c. 60.

⁽⁷⁾ S.I. 1989/1341 (N.I. 12).

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A. K. Galloway
Clerk of the Privy Council

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SCHEDULE

Article 10(1)(b)(v)

DISCLOSURE OF INFORMATION—LISTED TERRITORIES

Anguilla
Bermuda
British Antarctic Territory
British Indian Ocean Territory
British Virgin Islands
Cayman Islands
Falkland Islands
Gibraltar
Montserrat
Pitcairn, Henderson, Ducie and Oeno Islands
St Helena
St Helena Dependencies
South Georgia and the South Sandwich Islands
Turks and Caicos Islands
The UK Sovereign Base Areas of Akrotiri and Dhekelia in the island of Cyprus

EXPLANATORY NOTE

(This note is not part of the Order)

This Order makes provision to give effect to a decision of the Security Council of the United Nations in Resolution 661 of 6th August 1990. It prohibits the making of funds available to the government of the Republic of Iraq or persons resident in Iraq, and the remission or removal of funds to Iraq from the United Kingdom (article 3). Provision is also made for the Treasury (or a person acting on their behalf—see article 12) to require certain suspected Iraqi funds to be frozen (article 4). Article 6 makes it an offence to facilitate the commission of an offence under article 3 or 4(8).

Provision is made with respect to the granting of licences (articles 5 and 7) and for the obtaining of information for the purposes of enforcement (articles 8 to 10). Article 11 provides for penalties and proceedings for offences under the Order.