

**EXPLANATORY MEMORANDUM TO**  
**THE EXPORT CONTROL (IRAN SANCTIONS) (AMENDMENT) ORDER**  
**2013**

**2013 No. 340**

1. This explanatory memorandum has been prepared by the Department for Business, Innovation and Skills and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. **Purpose of the instrument**

2.1 The Export Control (Iran Sanctions)(Amendment) Order 2013 (“the Iran Order”) makes provision relating to the enforcement of new trade sanctions against Iran specified in Council Regulation (EU) No 1263/2012 (“the Amending Iran Regulation”), which amends Council Regulation (EU) No 267/2012 of 23 March 2012 concerning restrictive measures against Iran. The new provisions are given effect by amending the Export Control (Iran Sanctions) Order 2012 (S.I. 2012/1243) which makes provision for the enforcement of most of the current trade restrictions against Iran.

2.2 The enforcement of sanctions in relation to the import or export of goods from and to Iran is covered by the Customs and Excise Management Act 1979.

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

3.1 None

4. **Legislative Context**

4.1 On 15 October 2012 the Council of the European Union adopted Decision 2012/635/CFSP (“the Amending Iran Decision”), which amends Council Decision 2010/413/CFSP of 26 July 2010 concerning restrictive measures against Iran, so as to provide for new additional restrictive measures.

4.2 On 21 December 2012, the Council adopted the Amending Iran Regulation which implements those elements of the Amending Iran Decision that fall within the EU competence.

5. **Territorial Extent and Application**

5.1 This instrument applies to all of the United Kingdom.

## **6. European Convention on Human Rights**

6.1 As this instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## **7. Policy background**

### **• *What is being done and why***

7.1 The government's policy is to support the EU legislation concerning restrictive measures against Iran.

7.2 The Iran Order provides for national offences and penalties that are required to supplement the new trade restrictions specified in the Amending Iran Regulation. These new provisions are concerned with prohibiting:-

- Trade with Iran in key naval equipment and technology for ship-building, maintenance or refit;
- Trade with Iran in graphite, raw or semi-finished metals, such as aluminium and steel and software for certain industrial processes;
- Ban on the import, purchase or transport of Iranian natural gas;
- Prohibition on swaps of natural gas;
- Trade in software for integrating industrial processes;
- Technical and financial assistance or brokering in relation to all the new prohibited activities specified above.

7.3 The Iran Order is also in line with the general policy to implement EU Legislation in a timely and appropriate manner.

## **8. Consultation outcome**

8.1 This is purely a technical implementation of a directly applicable EU Regulation, so no consultation was necessary.

## **9. Guidance**

9.1 A notice to exporters is to be published shortly on <http://blogs.bis.gov.uk/exportcontrol/> explaining the purpose and effect of the Iran Amending Regulation and the Iran Order.

## **10. Impact**

10.1 The Iran Order provides for the offences and penalties in relation to the additional restrictive trade measures in the Amending Iran Regulation which came into force on 23 December 2012 and is directly applicable in Member States. Thus, a regulatory impact assessment has not been prepared for this instrument as it has no or minimal impact on business, charities or voluntary bodies.

10.2 There is no or minimal impact on the public sector.

**11. Regulating small business**

11.1 This legislation applies to small business.

**12. Monitoring & review**

12.1 The Department will monitor the developments in Iran, the actions taken by the United Nations and the EU and the impact of the Iran Order and give effect to any necessary changes if the sanctions are reviewed.

**13. Contact**

13.1 Christopher Chew at the Department for Business, Innovation and Skills, Tel: 020 7215 8088 or email: [chris.chew@bis.gsi.gov.uk](mailto:chris.chew@bis.gsi.gov.uk) can answer any queries regarding the instrument.

**Department for Business, Innovation and Skills**  
**February 2013**