

**EXPLANATORY MEMORANDUM TO  
THE IRAN (RESTRICTIVE MEASURES) (OVERSEAS TERRITORIES)  
(AMENDMENT) (No. 2) ORDER 2015**

**2015 No. 1772**

1. This Explanatory Memorandum has been prepared by the Foreign and Commonwealth Office and is laid before Parliament by Command of Her Majesty.

**2. Purpose of the instrument**

2.1 This Order amends the Iran (Restrictive Measures) (Overseas Territories) Order 2012 (S.I. 2012/1756) (the “Principal Order”).

2.2 This Order gives effect in specified Overseas Territories to provisions specified in Council Decision 2015/1336/CFSP and Council Regulation (EU) 2015/1327 both of 31 July 2015, which amend Council Decision 2010/413/CFSP of 26 July 2010 and Council Regulation (EU) 267/2012 of 23 March 2012 respectively concerning restrictive measures against Iran.

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

3.1 None

**4. Legislative Context**

4.1 This Order is made in exercise of statutory powers under the United Nations Act 1946, the Saint Helena Act 1833, the British Settlements Acts 1887 and 1945 and the legislative power of the Royal Prerogative.

4.2 The statutory and prerogative powers to legislate for the Overseas Territories, to implement sanctions measures, are applicable to the Overseas Territories as follows:

(i) the Saint Helena Act 1833 applies to St Helena;

(ii) the British Settlements Acts 1887 and 1945 are applicable to Ascension and Tristan da Cunha, British Antarctic Territory, the Falkland Islands, Pitcairn (including

Henderson, Ducie and Oeno Islands), and South Georgia and the South Sandwich islands);

(iii) the prerogative legislative power is applicable to Anguilla, British Indian Ocean Territory, Cayman Islands, Montserrat, the Sovereign Base Areas of Akrotiri and Dhekelia, Turks and Caicos Islands, and the Virgin Islands.

## **5. Territorial Extent and Application**

5.1 This Order applies to the following territories: Anguilla, British Antarctic Territory, British Indian Ocean Territory, Cayman Islands, the Falkland Islands, Montserrat, Pitcairn (including Henderson, Ducie and Oeno Islands), St Helena, Ascension and Tristan da Cunha, South Georgia and the South Sandwich Islands, the Sovereign Base Areas of Akrotiri and Dhekelia, the Turks and Caicos Islands and the Virgin Islands. Bermuda legislates separately to apply the EU sanctions. These measures are implemented in Gibraltar by Council Regulation (EU) No 267/2012 as amended, and local legislation.

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

6.1 As this Order is not subject to Parliamentary procedure and does not amend primary legislation, no statement is required.

## **7. Policy background**

7.1 On 14 July 2015, China, France, Germany, the Russian Federation, the United Kingdom and the United States, supported by the High Representative of the Union for Foreign Affairs and Security Policy, reached a Joint Comprehensive Plan of Action (JCPOA) with Iran on a long term comprehensive solution to the Iranian nuclear issue.

7.2 On 20 July 2015, the United Nations Security Council adopted resolution 2231 (2015) endorsing the JCPOA, urging its full implementation on the timetable established in the JCPOA and providing for actions to take place in accordance with the JCPOA.

7.3 Paragraph 21 of resolution 2231 (2015) provides for the restrictions against Iran specified in various UN Security Council resolutions not to apply, under certain conditions, to activities by JCPOA participant States or UN Member States acting in coordination with them directly related to:

- (a) the modifications of two cascades at the Fordow facility for stable isotope production;
- (b) the export of Iran's enriched uranium in excess of 300 kilograms in return for natural uranium; or
- (c) the modernisation of the Arak reactor based on the agreed conceptual design and, subsequently, on the agreed final design of the reactor.

7.4 In addition, paragraph 23 resolution 2231 (2015) further provides that the same UN restrictions are not to apply to the extent necessary to carry out, under certain terms or conditions, transfers and activities:-

- (a) directly related to Iran's implementation of its obligations under paragraphs 15.1 to 15.11 of the JCPOA;
- (b) required for preparation for the implementation of the JCPOA; or
- (c) determined by the UN Sanctions Committee established pursuant to resolution 1737 (2006) to be consistent with the objectives of resolution 2231 (2015).

7.5 On 31 July 2015 the European Union took measures through Council Decision 2015/1336/CFSP and Council Regulation (EU) 2015/1327 to give effect to the commitments in the JCPOA and paragraphs 21 to 23 of the resolution 2231 (2015). These measures allow the competent authorities of Member States to authorise on a case by case basis and, where appropriate, with the approval of the UN Sanctions Committee, the activities and transfers specified in paragraphs 21 to 23 of resolution 2231 (2015) (and set out in 7.3 and 7.4 above).

7.6 This Order gives effect to the licensing measures specified in the Council Decision and Regulation of 31 July 2015 by amending the Principal Order to insert a new article 43A.

## **8. Consultation**

8.1 The Overseas Territories were consulted on this Order in draft.

## **9. Guidance**

9.1 No guidance will be issued.

## **10. Impact**

10.1 There is no impact on business, charities or the voluntary sector in the United Kingdom.

10.2 There is no impact on the public sector in the United Kingdom.

10.3 An Impact Assessment has therefore not been prepared for this instrument.

## **11. Regulating small business**

11.1 The legislation does not apply to small business in the United Kingdom.

## **12. Monitoring and Review**

12.1 EU sanctions are monitored and reviewed by Member States of the EU. Amendments will be made to this legislation following any further modifications to the sanctions regime by the Council of the European Union.

## **13. Contact**

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