

**EXPLANATORY MEMORANDUM TO**  
**THE EXPORT CONTROL (VARIOUS AMENDMENTS) ORDER 2015**

**2015 No. 97**

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 (Various Amendments) Order 2015 (“the Order”) amends the Export Control (Russia, Crimea and Sevastopol Sanctions) Order 2014 (S.I. 2014/2357) (the “Russia, Crimea and Sevastopol Sanctions Order”) to make provision relating to the enforcement of amended trade restrictions against Russia set out in Council Regulation (EU) No 1290/2014 (OJ L 349, 5.12.2014, p20) (“the Russia Amending Regulation”), amending Council Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine (OJ No L 229, 31.7.2014, p1) (the “Russian Sanctions Regulation”).

2.2 In addition, the Order amends the Russia, Crimea and Sevastopol Sanctions Order to provide for the enforcement of new trade and investment restrictions in Crimea and Sevastopol specified in Council Regulation (EU) No 1351/2014 (OJ No L 365, 19.12.2014, p46) (the “Crimea Amending Regulation”) which amends Council Regulation (EU) No 692/2012 concerning restrictive measures in response to the illegal annexation of Crimea and Sevastopol (OJ No L 183, 24.12.2014, p9) (the “Crimea Sanctions Regulation”).

2.3 The Order also amends the Export Control (Syria Sanctions) Order 2013 (S.I. 2013/2012) (the “Syria Sanctions Order”), to make provision relating to the enforcement of new trade restrictions against Syria related to jet fuel and fuel additives specified in Council Regulation (EU) No 1323/2014 (OJ L No 358, 13.12.2014, p1) (the “Syria Amending Regulation” and, together with the Russia Amending Regulation and the Crimea Amending Regulation, the “Amending Regulations”) which amends Council Regulation (EU) No 36/2012 concerning restrictive measures in view of the situation in Syria (OJ L No 16, 19.1.2012, p1).

2.4 The Order makes a minor amendment to the Export Control (Sudan, South Sudan and Central African Republic Sanctions) Regulations 2014 to correct a reference to the “Sudan Regulation” in regulation 5 to the “South Sudan Regulation”.

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

3.1 None

### **4. Legislative Context**

4.1 On 4 December 2014, the Council of the European Union amended certain restrictive measures against Russia by means of Council Decision 2014/872/CFSP (OJ L No 349, 5.12.2014, p58), amending Council Decision 2014/512/CFSP (OJ L No 229, 31.7.2014, p13) concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. On the same date, the Council adopted the Russia Amending Regulation so as to implement all those elements of that Decision which fall within EU competence.

4.2 On 18 December 2014, the Council of the European Union adopted new restrictive measures in Crimea and Sevastopol by means of Council Decision 2014/933/CFSP (OJ L No 365 19.12.2014, p152), amending Council Decision 2014/386/CFSP concerning restrictive measures in response to the illegal annexation of Crimea and Sevastopol (OJ L No 183, 24.6.2014, p70). On the same date, the Council adopted the Crimea Amending Regulation so as to implement all those elements of that Decision which fall within EU competence.

4.3 On 12 December 2014, the Council of the European Union adopted new restrictive measures in view of the situation in Syria in relation to jet fuel and fuel additives by means of Council Decision 2014/901/CFSP (OJ L No L 358, 13.12.14, p28), amending Council Decision 2013/255/CFSP concerning restrictive measures against Syria (OJ L No 147, 1.6.2013, p.14). On the same date, the Council adopted the Syria Amending Regulation so as to implement all those elements of that Decision which fall within 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 EU legislation concerning restrictive measures against Russia in view of Russia's actions destabilising the situation in Ukraine and to support EU legislation concerning restrictive measures in response to the illegal annexation of Crimea and Sevastopol. It is

also government policy to support EU legislation concerning restrictive measures in view of the situation in Syria.

7.2 The Order amends the Russia, Crimea and Sevastopol Sanctions Order and the Syria Sanctions Order to provide for offences and penalties to supplement the new and amended restrictive measures set out in the Amending Regulations. There are already offences relating to the prohibited exportation of goods in sections 68 and 170 of the Customs and Excise Management Act 1979 (1979 c.2).

7.3 The Russia Amending Regulation amends the restrictive measures relating to: (i) the sale etc. of items listed in Annex II of the Russia Sanctions Regulation and related technical assistance, brokering services and financial assistance; and (ii) the provision of certain associated services for certain types of oil exploration and production.

7.4 The Crimea Amending Regulation extends the existing trade and investment bans relating to Crimea, which were introduced in the Crimea Sanctions Regulation, in particular to:

- prohibit acquiring real estate in Crimea or Sevastopol;
- introduce a ban on providing services related to tourism activities, including in the maritime sector, in Crimea or Sevastopol;
- introduce a ban on providing technical, brokering, construction, or engineering services directly relating to infrastructure in Crimea and Sevastopol;
- provide that the existing ban on joint ventures and financing of entities in Crimea or Sevastopol is extended to cover any entity from Crimea or Sevastopol (previously this covered only entities from Crimea or Sevastopol involved in transport, telecommunications, energy, or oil/gas/mineral exploration or production); and
- extend the list of goods banned for supply to Crimea or Sevastopol, and for which the provision of brokering, technical or financial services is banned.

7.5 The new restrictive measures against Syria prohibit the sale etc. of jet fuels and fuel additives to any person, entity or body in Syria and for use in Syria and the provision of related financial assistance and brokering services.

## **8. Consultation outcome**

8.1 The Order consists mainly of a technical implementation of three directly applicable EU Regulations. Accordingly, no consultation was necessary.

## **9. Guidance**

9.1 A Notice to Exporters has been published on <http://blogs.bis.gov.uk/exportcontrol/> explaining the purpose and effect of

the Amending Regulations.

## **10. Impact**

10.1 The Order provides for the offences and penalties in relation to the restrictive measures in the Amending Regulations which are directly applicable in Member States. Thus, an 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 Russia, Ukraine and Crimea and Sevastopol and Syria, the actions taken by the EU and the impact of the 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.