
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made under the Sanctions and Anti-Money Laundering Act 2018 (c.13) to establish a sanctions regime to further the prevention of terrorism in the United Kingdom and elsewhere and to implement the United Kingdom's international obligations under resolution 1373 (2001) adopted by the Security Council of the United Nations on 28th September 2001 ("resolution 1373").

Following the UK's withdrawal from the European Union, these Regulations replace two EU sanctions regimes in respect of terrorism. One of the EU regimes is the regime adopted on the basis of Common Position 2001/931/CFSP and implemented by Regulation (EC) No 2580/2001. This was implemented in the UK through the Terrorist Asset-Freezing etc. Act 2010 ("TAFE"). TAFE also implemented the United Kingdom's obligations under resolution 1373. The other regime is the EU's autonomous regime in respect of ISIL (Da'esh) and Al-Qaida which was implemented by Council Regulation (EU) Regulation 2016/1686.

The Regulations confer a power on the Secretary of State to designate persons who are, or have been involved in terrorism, wheresoever the involvement took place. Designated persons may be excluded from the United Kingdom, may be made subject to financial sanctions, including having their funds and/or economic resources frozen, and may be subject to trade restrictions on military goods and military technology and associated services.

The Regulations provide for certain exceptions to this sanctions regime, in particular in relation to financial sanctions (for example to allow for frozen accounts to be credited with interest or other earnings) and also for acts done for the purpose of national security or the prevention of serious crime. The Regulations also confer powers on the Treasury to issue licenses in respect of activities that would otherwise be prohibited under the financial sanctions imposed.

These Regulations make it a criminal offence to contravene, or circumvent, any of the prohibitions in these Regulations and prescribe the mode of trial and penalties that apply to such offences. The Regulations also confer powers on specified maritime enforcement officers to stop and search ships in international and foreign waters for the purpose of enforcing specified trade sanctions and to seize goods found on board ships which are being, or have been, dealt with in contravention, or deemed contravention, of those prohibitions. The Regulations prescribe powers for the provision and sharing of information to enable the effective implementation and enforcement of this sanctions regime.

These Regulations revoke certain existing EU regulations and UK legislation, these are: Council Regulation (EC) No 2580/2001 of 27 December 2001 (concerning specific restrictive measures against certain persons with a view to combating terrorism), Council Implementing Regulation (EU) 2019/24 of 8 January 2019 (implementing Council Regulation (EC) No. 2580/2001); Council Regulation (EU) No 2016/1686 of 20 September 2016 (concerning additional restrictive measures against ISIL (Da'esh) and Al-Qaeda); and the ISIL (Da'esh) and Al-Qaida (Asset-Freezing) Regulations 2011 (S.I. 2011/2742).

An Impact Assessment has not been produced for these Regulations, as they are intended to ensure existing sanctions remain in place following the United Kingdom's withdrawal from the European Union. These Regulations are intended to deliver substantially the same policy effects as the existing European Union sanctions. An Impact Assessment was, however, produced for the Sanctions and Anti-Money Laundering Act 2018 and can be found at:

Status: *This is the original version (as it was originally made).*

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/653271/Sanctions_and_Anti-Money_Laundering_Bill_Impact_Assessment_18102017.pdf.