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STATUTORY INSTRUMENTS

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**2019 No. 792**

**EXITING THE EUROPEAN UNION  
SANCTIONS**

**The Syria (Sanctions) (EU Exit) Regulations 2019**

*Approved by both Houses of Parliament*

*Made - - - - 3rd April 2019*

*Laid before Parliament 5th April 2019*

*Coming into force in accordance with regulation 1(2)  
and (3)*

The Secretary of State<sup>(1)</sup> in exercise of the powers conferred by sections 1(1)(c) and (3)(b), 3(1)(a), (b)(iii), (c)(iii), (d), (e)(iii), (g)(iii) and (2)(c), 4, 5, 6(1)(a), (2) and (7), 9(2)(a), 10(2)(a) and (c), (3) and (4), 11(2) to (9), 15(2)(a) and (b), (3), (4)(b), (5) and (6), 16, 17(2) to (9), 19, 20, 21(1), 54(1) and (2) and 62(4) to (6) of, and paragraphs 2(a)(iii) and (b), 3(a), (b) and (c)(iii), 4(a)(iii), (b), (c) and (d), 5(a)(ii), (b) to (d), 6(a)(ii) and (iii) and (b), 7(b), 11(a)(ii) and (iii), 13(a), (b), (c), (d), (g), (h), (i), (k), (l), (m), (n), (p), (q) and (w), 14(a), (e), (f) and (k), 17 to 23 and 27 of Schedule 1 to, the Sanctions and Anti-Money Laundering Act 2018<sup>(2)</sup>, and having decided, upon consideration of the matters set out in section 2(2) of that Act, that it is appropriate to do so, makes the following Regulations:

**PART 1**

**General**

**Citation and commencement**

1.—(1) These Regulations may be cited as the Syria (Sanctions) (EU Exit) Regulations 2019.

(2) The following provisions come into force on the day after the day on which the Regulations are laid before Parliament—

- (a) this regulation;
- (b) regulation 2 (interpretation);
- (c) regulation 4 (purposes);
- (d) regulation 5 (power to designate persons)

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(1) The power to make regulations under Part 1 of the Sanctions and Anti-Money Laundering Act 2018 is conferred on an “appropriate Minister”. Section 1(9)(a) of the Act defines an “appropriate Minister” as including the Secretary of State.

(2) 2018 c.13.

- (e) regulation 6 (designation criteria);
  - (f) regulation 7 (interpretation of regulation 6);
  - (g) regulation 8 (notification and publicity where designation power used);
  - (h) Schedule 1 (rules for interpretation of regulation 7(2)).
- (3) All other provisions come into force on exit day(3).

## Interpretation

### 2. In these Regulations—

“the Act” means the Sanctions and Anti-Money Laundering Act 2018;

“aircraft licence” means a licence under regulation 63;

“arrangement” includes any agreement, understanding, scheme, transaction or series of transactions, whether or not legally enforceable (but see paragraph 12 of Schedule 1 for the meaning of that term in that Schedule);

“brokering service” means any service to secure, or otherwise in relation to, an arrangement, including but not limited to—

- (a) the selection or introduction of persons as parties or potential parties to the arrangement,
- (b) the negotiation of the arrangement,
- (c) the facilitation of anything that enables the arrangement to be entered into, and
- (d) the provision of any assistance that in any way promotes or facilitates the arrangement;

“CEMA” means the Customs and Excise Management Act 1979(4);

“chemical weapons” has the same meaning as it has in article 2 of the Chemical Weapons Convention;

“the Chemical Weapons Convention” means the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction signed at Paris on 13th January 1993(5);

“the Commissioners” means the Commissioners for Her Majesty’s Revenue and Customs;

“conduct” includes acts and omissions;

“consular post” has the same meaning as it has in the Vienna Convention on Consular Relations done at Vienna on 24 April 1963(6), and any reference to the functions of a consular post is to be read in accordance with that Convention;

“diplomatic mission” and any reference to the functions of a diplomatic mission is to be read in accordance with the Vienna Convention on Diplomatic Relations done at Vienna on 18 April 1961(7);

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

“the Dual-Use Regulation” means Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items;

(3) Schedule 1 to the Interpretation Act 1978 (c. 30) provides that “exit day” has the same meaning as in the European Union (Withdrawal) Act 2018 (c. 16) (see section 20(1) to (5) of that Act).

(4) 1979 c.2. Amendments have been made to this Act and are cited, where relevant, in respect of the applicable regulations.

(5) Cmnd 3727.

(6) United Nations Treaty Series, vol. 596, p. 261.

(7) United Nations Treaty Series, vol. 500, p. 95.

“the EU Syria Regulation” means Council Regulation (EU) No 36/2012 of 18 January 2012, concerning restrictive measures in view of the situation in Syria and repealing Regulation (EU) No 442/2011<sup>(8)</sup>, as it has effect in EU law immediately before exit day;

“humanitarian assistance activity” includes the work of international and non-governmental organisations carrying out relief activities in Syria for the benefit of the civilian population there;

“the Syrian regime” means the regime in Syria on or after 9 May 2011 led by Bashar Al-Assad and includes its public bodies, corporations or agencies, or any person<sup>(9)</sup> acting on its behalf or at its direction;

“trade licence” means a licence under regulation 62;

“Treasury licence” means a licence under regulation 61(1);

“United Kingdom person” has the same meaning as in section 21 of the Act.

### **Application of prohibitions and requirements outside the United Kingdom**

3.—(1) A United Kingdom person may contravene a relevant prohibition by conduct wholly or partly outside the United Kingdom.

(2) Any person may contravene a relevant prohibition or a prohibition imposed by a condition of an aircraft licence, by conduct in the territorial sea.

(3) In this regulation a “relevant prohibition” means any prohibition imposed by—

- (a) regulation 9(2) (confidential information),
- (b) Part 3 (Finance),
- (c) Part 5 (Trade),
- (d) regulation 52(6) (non-disclosure), or
- (e) a condition of a Treasury licence or a trade licence.

(4) A United Kingdom person may comply, or fail to comply, with a relevant requirement by conduct wholly or partly outside the United Kingdom.

(5) Any person may comply, or fail to comply, with a relevant requirement or a requirement imposed by a condition of an aircraft licence, by conduct in the territorial sea.

(6) In this regulation, a “relevant requirement” means any requirement imposed—

- (a) by Chapter 2 of Part 3 (Investment, financial services and financial markets),
- (b) by or under regulation 57(5) (notification requirements in respect of exceptions relating to petroleum products) or Part 8 (Information and records), or by reason of a request made under a power conferred by Part 8, or
- (c) by a condition of a Treasury licence or a trade licence.

(7) Nothing in this regulation is to be taken to prevent a relevant prohibition or a relevant requirement from applying to conduct (by any person) in the United Kingdom.

### **Purposes**

4. The purposes of the regulations contained in this instrument that are made under section 1 of the Act are to encourage the Syrian regime to—

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<sup>(8)</sup> OJ L 016 19.1.2012, p. 1.

<sup>(9)</sup> Person is defined by section 9(5) of the Act to include (in addition to an individual and a body of persons corporate or unincorporate) any organisation and any association or combination of persons.

- (a) refrain from actions, policies or activities which repress the civilian population in Syria, and
- (b) participate in negotiations in good faith to reach a negotiated political settlement to bring about a peaceful solution to the conflict in Syria.

## PART 2

### Designation of persons

#### Power to designate persons

5.—(1) The Secretary of State may designate persons by name for the purposes of any of the following—

- (a) regulations 11 to 15 (asset-freeze etc);
- (b) regulation 24 (immigration).

(2) The Secretary of State may designate different persons for the purposes of the provisions mentioned in each of the sub-paragraphs of paragraph (1).

#### Designation criteria

6.—(1) The Secretary of State may not designate a person under regulation 5 unless the Secretary of State—

- (a) has reasonable grounds to suspect that that person is an involved person, and
- (b) considers that the designation of that person is appropriate, having regard to—
  - (i) the purposes stated in regulation 4, and
  - (ii) the likely significant effects of the designation on that person (as they appear to the Secretary of State to be on the basis of the information that the Secretary of State has).

(2) In this regulation an “involved person” means a person who—

- (a) is or has been involved in—
  - (i) repressing the civilian population in Syria;
  - (ii) supporting or benefitting from the Syrian regime,
- (b) is owned or controlled directly or indirectly (within the meaning of regulation 7) by a person who is or has been so involved,
- (c) is acting on behalf of or at the direction of a person who is or has been so involved, or
- (d) is a member of, or associated with, a person who is or has been so involved.

(3) Any reference in this regulation to being involved in one or more of the activities mentioned in paragraph (2)(a) includes being so involved in whatever way and wherever any actions constituting the involvement take place, and in particular includes—

- (a) a prominent person operating or controlling a business in Syria;
- (b) working for, or being affiliated to, the Syrian regime as—
  - (i) a Minister,
  - (ii) a member of the Syrian Armed Forces of the rank of colonel or the equivalent or higher,
  - (iii) a member of the Syrian security and intelligence services, or

- (iv) a member of a militia;
  - (c) carrying on prohibited activities related to chemical weapons in Syria;
  - (d) being responsible for, engaging in or promoting an activity set out in paragraph (2)(a)(i);
  - (e) providing financial services<sup>(10)</sup>, or making available funds or economic resources<sup>(11)</sup>, that could contribute to an activity set out in paragraph (2)(a);
  - (f) being involved in the supply to Syria of restricted goods or restricted technology, or in providing financial services relating to such supply;
  - (g) being involved in the supply to Syria of goods or technology which could contribute to an activity set out in paragraph (2)(a), or in providing financial services relating to such supply;
  - (h) assisting the contravention or circumvention of any relevant provision.
- (4) In this regulation “relevant provision” means—
- (a) any provision of Part 3, 5 or 6;
  - (b) any provision of the law of a country other than the United Kingdom made for purposes corresponding to a purpose of any provision of Part 3, 5 or 6.
- (5) Nothing in any sub-paragraph of paragraph (3) is to be taken to limit the meaning of any of the other sub-paragraphs of that paragraph.
- (6) In this regulation, “restricted goods” and “restricted technology” mean any goods or any technology subject to a prohibition under Part 5 (Trade).

### **Interpretation of regulation 6**

7.—(1) For the purposes of regulation 6, a person who is not an individual (“C”) is “owned or controlled directly or indirectly” by another person (“P”) if either of the following two conditions is met (or both are met).

- (2) The first condition is that P—
- (a) holds directly or indirectly more than 50% of the shares in C,
  - (b) holds directly or indirectly more than 50% of the voting rights in C, or
  - (c) holds the right directly or indirectly to appoint or remove a majority of the board of directors of C.
- (3) Schedule 1 contains provision applying for the purpose of interpreting paragraph (2).
- (4) The second condition is that it is reasonable, having regard to all the circumstances, to expect that P would (if P chose to) be able, in most cases or in significant respects, by whatever means and, whether directly or indirectly, to achieve the result that affairs of C are conducted in accordance with P’s wishes.
- (5) For the purposes of regulation 6(2)(d), the reference to a person who is “associated” with another person includes, in particular, a person who is a family member of Bashar al-Assad or Rami Makhlouf.
- (6) The following definitions apply for the purposes of this regulation and regulation 6—
- “family member” has the same meaning as it has in paragraph 2(4) in Part 2 of Schedule 6 (Treasury licences: purposes);
  - “militia” means a foreign, national or local armed group that is not part of the Syrian Armed Forces or the Syrian security and intelligence services;

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(10) “Financial services” is defined in section 61 of the Act.

(11) “Funds” and “economic resources” are defined in section 60 of the Act.

“prohibited activities related to chemical weapons” means—

- (a) developing, producing, acquiring, stockpiling or retaining chemical weapons,
- (b) transferring, directly or indirectly, chemical weapons to any person,
- (c) using chemical weapons,
- (d) engaging in any military preparations to use chemical weapons, and
- (e) providing assistance to, encouraging or inducing any person to engage in any activity falling within sub-paragraphs (a) to (d).

### **Notification and publicity where designation power used**

8.—(1) Paragraph (2) applies where the Secretary of State—

- (a) has made a designation under regulation 5, or
- (b) has by virtue of section 22 of the Act varied or revoked a designation made under that regulation.

(2) The Secretary of State—

- (a) must without delay take such steps as are reasonably practicable to inform the designated person of the designation, variation or revocation, and
- (b) must take steps to publicise the designation, variation or revocation.

(3) The information given under paragraph (2)(a) where a designation is made must include a statement of reasons.

(4) In this regulation a “statement of reasons”, in relation to a designation, means a brief statement of the matters that the Secretary of State knows, or has reasonable grounds to suspect, in relation to the designated person which have led the Secretary of State to make the designation.

(5) Matters that would otherwise be required by paragraph (4) to be included in a statement of reasons may be excluded from it where the Secretary of State considers that they should be excluded—

- (a) in the interests of national security or international relations,
- (b) for reasons connected with the prevention or detection of serious crime in the United Kingdom or elsewhere, or
- (c) in the interests of justice.

(6) The steps taken under paragraph (2)(b) must—

- (a) unless one or more of the restricted publicity conditions is met, be steps to publicise generally—
  - (i) the designation, variation or revocation, and
  - (ii) in the case of a designation, the statement of reasons;
- (b) if one or more of those conditions is met, be steps to inform only such persons as the Secretary of State considers appropriate of the designation, variation or revocation and (in the case of a designation) of the contents of the statement of reasons.

(7) The “restricted publicity conditions” are as follows—

- (a) the designation is of a person believed by the Secretary of State to be an individual under the age of 18;
- (b) the Secretary of State considers that disclosure of the designation, variation or revocation should be restricted—
  - (i) in the interests of national security or international relations,

- (ii) for reasons connected with the prevention or detection of serious crime in the United Kingdom or elsewhere, or
  - (iii) in the interests of justice.
- (8) Paragraph (9) applies if—
- (a) when a designation is made, one or more of the restricted publicity conditions is met, but
  - (b) at any time when the designation has effect, it becomes the case that none of the restricted publicity conditions is met.
- (9) The Secretary of State must—
- (a) take such steps as are reasonably practicable to inform the designated person that none of the restricted publicity conditions is now met, and
  - (b) take steps to publicise generally the designation and the statement of reasons relating to it.

### **Confidential information in certain cases where designation power used**

9.—(1) Where the Secretary of State in accordance with regulation 8(6)(b) informs only certain persons of a designation, variation or revocation and (in the case of a designation) of the contents of the statement of reasons, the Secretary of State may specify that any of that information is to be treated as confidential.

- (2) A person (“P”) who—
- (a) is provided with information that is to be treated as confidential in accordance with paragraph (1), or
  - (b) otherwise obtains such information,

must not, subject to paragraph (3), disclose it if P knows, or has reasonable cause to suspect, that the information is to be treated as confidential.

(3) The prohibition in paragraph (2) does not apply to any disclosure made by P with lawful authority.

- (4) For this purpose information is disclosed with lawful authority only if and to the extent that—
- (a) the disclosure is by, or is authorised by, the Secretary of State,
  - (b) the disclosure is by or with the consent of the person who is or was the subject of the designation,
  - (c) the disclosure is necessary to give effect to a requirement imposed under or by virtue of these Regulations or any other enactment, or
  - (d) the disclosure is required, under rules of court, tribunal rules or a court or tribunal order, for the purposes of legal proceedings of any description.

(5) This regulation does not prevent the disclosure of information that is already, or has previously been, available to the public from other sources.

(6) A person who contravenes the prohibition in paragraph (2) commits an offence.

(7) The High Court (in Scotland, the Court of Session) may, on the application of—

- (a) the person who is the subject of the information, or
- (b) the Secretary of State,

grant an injunction (in Scotland, an interdict) to prevent a breach of the prohibition in paragraph (2).

(8) In paragraph (4)(c), “enactment” has the meaning given by section 54(6) of the Act.

## PART 3

### Finance

#### CHAPTER 1

##### Asset-freeze etc

#### **Meaning of “designated person” in Chapter 1 of Part 3**

**10.** In this Chapter, a “designated person” means a person who is designated under regulation 5 for the purposes of regulations 11 to 15.

#### **Asset-freeze in relation to designated persons**

**11.—(1)** A person (“P”) must not deal with funds or economic resources owned, held or controlled by a designated person if P knows, or has reasonable cause to suspect, that P is dealing with such funds or economic resources.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) For the purposes of paragraph (1) a person “deals with” funds if the person—

(a) uses, alters, moves, transfers or allows access to the funds,

(b) deals with the funds in any other way that would result in any change in volume, amount, location, ownership, possession, character or destination, or

(c) makes any other change, including portfolio management, that would enable use of the funds.

(5) For the purposes of paragraph (1) a person “deals with” economic resources if the person—

(a) exchanges the economic resources for funds, goods or services, or

(b) uses the economic resources in exchange for funds, goods or services (whether by pledging them as security or otherwise).

(6) The reference in paragraph (1) to funds or economic resources that are “owned, held or controlled” by a person includes, in particular, a reference to—

(a) funds or economic resources in which the person has any legal or equitable interest, regardless of whether the interest is held jointly with any other person and regardless of whether any other person holds an interest in the funds or economic resources;

(b) any tangible property (other than real property), or bearer security, that is comprised in funds or economic resources and is in the possession of the person.

(7) For the purposes of paragraph (1) funds or economic resources are to be treated as owned, held or controlled by a designated person if they are owned, held or controlled by a person who is owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person.

(8) For the avoidance of doubt, the reference in paragraph (1) to a designated person includes P if P is a designated person.

#### **Making funds available to designated persons**

**12.—(1)** A person (“P”) must not make funds available directly or indirectly to a designated person if P knows, or has reasonable cause to suspect, that P is making the funds so available.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) The reference in paragraph (1) to making funds available indirectly to a designated person includes, in particular, a reference to making them available to a person who is owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person.

#### **Making funds available for benefit of designated persons**

**13.—**(1) A person (“P”) must not make funds available to any person for the benefit of a designated person if P knows, or has reasonable cause to suspect, that P is making the funds so available.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) For the purposes of this regulation—

(a) funds are made available for the benefit of a designated person only if that person thereby obtains, or is able to obtain, a significant financial benefit, and

(b) “financial benefit” includes the discharge (or partial discharge) of a financial obligation for which the designated person is wholly or partly responsible.

#### **Making economic resources available to designated persons**

**14.—**(1) A person (“P”) must not make economic resources available directly or indirectly to a designated person if P knows, or has reasonable cause to suspect—

(a) that P is making the economic resources so available, and

(b) that the designated person would be likely to exchange the economic resources for, or use them in exchange for, funds, goods or services.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) The reference in paragraph (1) to making economic resources available indirectly to a designated person includes, in particular, a reference to making them available to a person who is owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person.

#### **Making economic resources available for benefit of designated persons**

**15.—**(1) A person (“P”) must not make economic resources available to any person for the benefit of a designated person if P knows, or has reasonable cause to suspect, that P is making the economic resources so available.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) For the purposes of paragraph (1)—

(a) economic resources are made available for the benefit of a designated person only if that person thereby obtains, or is able to obtain, a significant financial benefit, and

(b) “financial benefit” includes the discharge (or partial discharge) of a financial obligation for which the designated person is wholly or partly responsible.

## CHAPTER 2

## Investment, financial services and financial markets

**UK credit or financial institutions: accounts and correspondent banking relationships etc**

16.—(1) A UK credit or financial institution must not—

- (a) open a bank account with,
- (b) establish a correspondent banking relationship with, or
- (c) establish a joint venture with,

a person falling within paragraph (2), if the UK credit or financial institution knows or has reasonable cause to suspect that the bank account, correspondent banking relationship or joint venture is with a person falling within paragraph (2).

(2) The following persons fall within this paragraph—

- (a) a credit or financial institution domiciled in Syria;
- (b) a branch or subsidiary, wherever located, of a credit or financial institution domiciled in Syria;
- (c) a credit or financial institution that is not domiciled in Syria but is owned or controlled directly or indirectly (within the meaning of regulation 7) by a person domiciled in Syria.

(3) A UK credit or financial institution must not—

- (a) open a representative office of that institution in Syria, or
- (b) establish a branch or subsidiary of that institution in Syria.

(4) Paragraphs (1)(a) and (3) are subject to Part 7 (Exceptions and licences).

(5) Sub-paragraphs (b) and (c) of paragraph (1) are subject to regulation 60 (exception for acts done for purposes of national security or prevention of serious crime).

(6) A person who contravenes a prohibition in paragraph (1) or (3) commits an offence.

**Opening of, or taking up of business by, a representative office, branch or subsidiary of Syrian credit or financial institution**

17.—(1) A person (“P”) must not—

- (a) open a representative office or establish a branch or subsidiary in the United Kingdom of a person falling within regulation 16(2);
- (b) enter into an arrangement for, or on behalf of, a person falling within regulation 16(2) which relates to the opening of a representative office or the establishment of a branch or subsidiary in the United Kingdom, if P knows or has reasonable cause to suspect that the arrangement is for, or on behalf of, such a person;
- (c) authorise the taking up and pursuit of business by a representative office, branch or subsidiary of a person falling within regulation 16(2), if the representative office, branch or subsidiary was not operational before 19 January 2012.

(2) Paragraph (1) is subject to regulation 60 (exception for acts done for purposes of national security or prevention of serious crime).

(3) A person who contravenes a prohibition in paragraph (1) commits an offence.

### **Acquisition or extension of ownership interest by Syrian credit or financial institution**

**18.**—(1) A person falling within regulation 16(2) must not directly or indirectly acquire or extend a participation, or acquire any ownership interest, in a UK credit or financial institution.

(2) Paragraph (1) is subject to regulation 60 (exception for acts done for purposes of national security or prevention of serious crime).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

### **Sale or purchase of bonds**

**19.**—(1) A person (“P”) must not directly or indirectly—

- (a) sell to a person falling within paragraph (4), or
- (b) purchase from such a person,

Syrian bonds or bonds guaranteed by the Syrian regime and issued after 19 January 2012 if P knows, or has reasonable cause to suspect, that the sale or purchase of such bonds is directly or indirectly to or from such a person.

(2) A person (“P”) must not provide brokering services to a person falling within paragraph (4) in respect of Syrian bonds or bonds guaranteed by the Syrian regime and issued after 19 January 2012, if P knows, or has reasonable cause to suspect, that the person falls within paragraph (4).

(3) A person (“P”) must not provide—

- (a) brokering services,
- (b) advertising services, or
- (c) any other service,

if P knows, or has reasonable cause to suspect, that the provision of the service assists a person falling within paragraph (4) to issue Syrian bonds or bonds guaranteed by the Syrian regime.

(4) The following persons fall within this paragraph—

- (a) the Syrian regime;
- (b) a person falling within regulation 16(2) (Syrian credit or financial institutions);
- (c) a person acting on behalf of or at the direction of a person falling within sub-paragraph (a) or (b);
- (d) a person, other than an individual, which is owned or controlled directly or indirectly (within the meaning of regulation 7) by a person falling within sub-paragraph (a), (b) or (c).

(5) Paragraphs (1) to (3) are subject to regulation 60 (exception for acts done for purposes of national security or prevention of serious crime).

(6) A person who contravenes a prohibition in paragraph (1) to (3) commits an offence.

(7) For the purposes of this regulation, “Syrian bonds” means bonds issued by the Syrian regime.

### **Insurance and reinsurance services**

**20.**—(1) A person (“P”) must not provide insurance or reinsurance services to the Syrian regime if P knows, or has reasonable cause to suspect, that P is providing such services to the Syrian regime.

(2) Paragraph (1) is subject to regulations 56 and 60 (exceptions).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) Nothing in this regulation prohibits compliance with an insurance or reinsurance agreement concluded before 19 January 2012.

(5) For the purposes of this regulation—

- (a) “insurance and reinsurance services” include the provision of services relating to the extension or renewal of an insurance or reinsurance agreement, except where there is an obligation, which arose before 19 January 2012, of the insurer or re-insurer to accept the extension or renewal;
- (b) “the Syrian regime” has the same meaning that it has in regulation 2, except that “a person acting on its behalf or under its direction” does not include any person who is acting under a direction which is given in relation to a ship or aircraft for the purposes of docking, loading or unloading the ship or aircraft or for any purpose in connection with the safe transit of the ship or aircraft in the territorial sea adjacent to Syria or in the airspace above it.

### **Investments in relation to crude oil and electricity production**

**21.**—(1) A person (“P”) must not directly or indirectly grant a loan or credit to a relevant entity (“E”), where P knows or has reasonable cause to suspect that E is a relevant entity.

(2) A person (“P”) must not directly or indirectly acquire or extend a participation, or acquire any ownership interest, in a relevant entity (“E”), where P knows or has reasonable cause to suspect that E is a relevant entity.

(3) A person (“P”) must not directly or indirectly create a joint venture with a relevant entity (“E”), where P knows or has reasonable cause to suspect that E is a relevant entity.

(4) But paragraphs (1) to (3) are not contravened by anything done in compliance with a contract or agreement which—

- (a) relates to the exploration, production or refining of crude oil and which was concluded before 23 September 2011, or
- (b) relates to the construction or installation of a new power plant for electricity production and which was concluded before 19 January 2012.

(5) Paragraphs (1) to (3) are subject to Part 7 (Exceptions and licences).

(6) A person who contravenes a prohibition in paragraphs (1) to (3) commits an offence.

(7) For the purposes of paragraphs (1) to (3), “a relevant entity” is any person connected with Syria (within the meaning of regulation 27(5)), who is engaged in—

- (a) the exploration, production or refining of crude oil, or
- (b) the construction or installation of a new power plant for electricity production.

(8) In this regulation—

“crude oil” has the same meaning given to it in paragraph 3 in Part 2 of Schedule 2;

“exploration of crude oil” includes the exploration for, prospecting for and the management of crude oil reserves, as well as the provision of geological services in relation to such reserves;

“petroleum products” has the same meaning given to it in paragraph 4 in Part 2 of Schedule 2;

“refining of crude oil” means the processing, conditioning or preparation of oil for the production of petroleum products or any intermediate streams.

## **CHAPTER 3**

### **Interpretation and further provision**

#### **Circumventing etc prohibitions**

**22.**—(1) A person must not intentionally participate in activities knowing that the object or effect of them is, whether directly or indirectly—

- (a) to circumvent any of the prohibitions in regulations 11 to 21, or

- (b) to enable or facilitate the contravention of any such prohibition.
- (2) A person who contravenes a prohibition in paragraph (1) commits an offence.

### Interpretation of Part 3

#### 23.—(1) In this Part—

“branch” means—

- (a) in relation to a UK credit or financial institution, a place of business which forms a legally dependent part of that institution and which carries out all or some of the transactions inherent in the business of that institution, or
- (b) in relation to a credit or financial institution domiciled in Syria, a place of business which forms a legally dependent part of that institution and which carries out all or some of the transactions inherent in the business of that institution;

“credit or financial institution domiciled in Syria” means a person, other than an individual, who—

- (a) in the case of an undertaking domiciled in Syria, by way of business—
  - (i) operates a currency exchange office,
  - (ii) transmits money (or any representation of monetary value) by any means, or
  - (iii) cashes cheques that are made payable to customers, and
- (b) in the case of any other person domiciled in Syria, would satisfy the threshold conditions for permission under Part 4A of the Financial Services and Markets Act 2000(12) if it had its registered office (or if it does not have one, its head office) in the United Kingdom;

“subsidiary” has the meaning given by section 1159 of the Companies Act 2006(13);

“UK credit or financial institution” means—

- (a) a person that has permission under Part 4A of the Financial Services and Markets Act 2000 (permission to carry on regulated activity), or
- (b) an undertaking which by way of business—
  - (i) operates a currency exchange office,
  - (ii) transmits money (or any representation of monetary value) by any means, or
  - (iii) cashes cheques that are made payable to customers.

#### (2) In paragraph (1), the definitions of—

- (a) “credit or financial institution domiciled in Syria”, and
- (b) “UK credit or financial institution”,

are to be read with section 22 of the Financial Services and Markets Act 2000(14), any relevant order under that section(15) and Schedule 2 to that Act(16).

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(12) 2000 c.8. Part 4A was inserted by the Financial Services Act 2012 (c.21), section 11(2) and amended by S.I. 2018/135.

(13) 2006 c.46.

(14) Section 22 was amended by the Financial Guidance and Claims Act 2018 (c.10), section 27(4); the Financial Services Act 2012, section 7(1); S.I. 2017/500 and S.I. 2018/135.

(15) S.I. 2001/544 as most recently amended by S.I. 2018/1288 and prospectively amended by S.I. 2018/1403.

(16) Schedule 2 was amended by the Regulation of Financial Services (Land Transactions) Act 2005 (c.24), section 1; the Dormant Bank and Building Society Accounts Act 2008 (c.31), section 15 and Schedule 2, paragraph 1; the Financial Services Act 2012, sections 7(2) to (5) and 8; and S.I. 2013/1881; and it is prospectively amended by S.I. 2018/135.

## PART 4

### Immigration

#### Immigration

24. A person who is designated under regulation 5 for the purposes of this regulation is an excluded person for the purposes of section 8B of the Immigration Act 1971(17).

## PART 5

### Trade

#### CHAPTER 1

#### Interpretation

#### Definitions relating to goods and technology prohibited under Part 5

25.—(1) For the purposes of this Part—

“arms and related materiel” means—

- (a) military goods, and
- (b) any thing which is, or would be, classified under chapter 93 of the Goods Classification Table, other than military goods;

“aviation fuel and aviation fuel additives” has the meaning given to it in paragraph 2 in Part 2 of Schedule 2;

“bank notes or coinage” means newly printed or unissued Syrian-denominated bank notes and minted coinage;

“crude oil and petroleum products” has the meaning given to it in paragraphs 3 and 4 in Part 2 of Schedule 2;

“gold, precious metals or diamonds” has the meaning given to it in paragraph 6 in Part 2 of Schedule 2;

“the Goods Classification Table” has the same meaning as it has in paragraph 1(3) in Part 1 of Schedule 2;

“goods relating to chemical and biological weapons” means—

- (a) any thing specified in Schedule 3, other than technology relating to chemical and biological weapons (but see paragraph (3)), and
- (b) any tangible storage medium on which technology relating to chemical and biological weapons is recorded or from which it can be derived;

“goods relating to crude oil and natural gas” means anything specified in Annex # of the EU Syria Regulation, other than—

- (a) technology relating to crude oil and natural gas, and
- (b) military goods;

“goods relating to electricity production” has the meaning given to it in paragraph 5 in Part 2 of Schedule 2;

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(17) 1971 c. 77, as amended by the Immigration and Asylum Act 1999(c.33), section 8, the Immigration Act 2016(c.19), section 76 and the Act, Schedule 3, paragraph 1.

“interception and monitoring goods” means any item mentioned in sub-paragraph (a) or (b), provided that it may be used for interception and monitoring services—

- (a) a relevant Schedule 4 item;
- (b) any tangible storage medium on which interception and monitoring technology is recorded or from which it can be derived;

“interception and monitoring technology” means any thing—

- (a) which is described as software in paragraph 2 of Schedule 4 provided that it may be used for interception and monitoring services, and
- (b) which is described as software or other technology in paragraph 3 of Schedule 4, (but see paragraph (5));

“internal repression goods” means—

- (a) any thing specified in Schedule 5, other than—
  - (i) any thing which is internal repression technology,
  - (ii) any thing for the time being specified in Schedule 2 to the Export Control Order 2008<sup>(18)</sup>, or
  - (iii) any thing for the time being specified in Annex I of the Dual-Use Regulation, and
- (b) any tangible storage medium on which internal repression technology is recorded or from which it can be derived;

“internal repression technology” means any thing which is described in Schedule 5 as software or technology;

“luxury goods” has the meaning given to it in paragraph 7 in Part 2 of Schedule 2;

“military goods” means—

- (a) any thing for the time being specified in Schedule 2 to the Export Control Order 2008, other than any thing which is military technology, and
- (b) any tangible storage medium on which military technology is recorded or from which it can be derived;

“military technology” means any thing for the time being specified in Schedule 2 to the Export Control Order 2008 which is described as software or technology;

“technology relating to chemical and biological weapons” means any thing specified as technology or software in Schedule 3, other than technology which is—

- (a) the minimum necessary for—
  - (i) the installation, operation, maintenance and repair of any goods which are not subject to a prohibition under this Part, or
  - (ii) patent applications,
- (b) in the public domain, or
- (c) basic scientific research;

“technology relating to crude oil and natural gas” means any thing specified as technology or software in Annex # of the EU Syria Regulation, other than military technology.

(2) For the purpose of the definition of “arms and related materiel” in paragraph (1), paragraph 1(2) in Part 1 of Schedule 2 (the rules of interpretation for the purpose of determining whether or not a thing is “classified”) applies.

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<sup>(18)</sup> S.I. 2008/3231. Schedule 2 was substituted by S.I. 2017/85 and subsequently amended by S.I. 2017/697, S.I. 2018/165 and S.I. 2018/939. There are other instruments which amend other parts of the Order, which are not relevant to these Regulations.

(3) The definition of “goods relating to chemical and biological weapons” does not apply to anything specified in Part 3 of Schedule 3, other than Isopropanol (as specified in paragraph 6(p) of that Part), which are consumer goods packaged for—

- (a) retail sale for an individual’s personal use, or
- (b) individual use.

(4) For the purpose of the definition of “interception and monitoring goods” in paragraph (1) “a relevant Schedule 4 item” means any thing described in Schedule 4, other than—

- (a) any thing which is interception and monitoring technology, or
- (b) any thing for the time being specified in—
  - (i) Schedule 2 to the Export Control Order 2008, or
  - (ii) Annex I of the Dual-Use Regulation.

(5) The definition of “interception and monitoring technology” does not apply to software which is—

- (a) generally available to the public, or
- (b) in the public domain.

#### **Definition of “interception and monitoring services”**

**26.**—(1) For the purposes of this Part, “interception and monitoring services” means any service that has as its object or effect the interception of a communication in the course of its transmission by means of a telecommunication system.

(2) A person intercepts a communication in the course of its transmission by means of a telecommunication system if, and only if—

- (a) the person does a relevant act in relation to the system, and
- (b) the effect of the relevant act is to make any content of the communication available, at a relevant time, to a person who is not the sender or intended recipient of the communication.

(3) In paragraph (2) a “relevant act”, in relation to a telecommunication system, means—

- (a) modifying, or interfering with, the system or its operation;
- (b) monitoring transmissions made by means of the system;
- (c) monitoring transmissions made by wireless telegraphy to or from apparatus that is part of the system.

(4) In paragraph (2), a “relevant time”, in relation to a communication transmitted by means of a telecommunication system, means—

- (a) any time while the communication is being transmitted, and
- (b) any time when the communication is stored in or by the system (whether before or after its transmission).

(5) For the purpose of paragraph (2), the cases in which any content of a communication is to be taken to be made available to a person at a relevant time include any case in which any of the communication is diverted or recorded at a relevant time so as to make the content of the communication available to a person after that time.

(6) In paragraph (3), references to modifying a telecommunication system include references to attaching any apparatus to, or otherwise modifying or interfering with—

- (a) any part of the system, or
- (b) any wireless telegraphy apparatus used for making transmissions to or from apparatus that is part of the system.

- (7) For the purposes of this regulation, the following definitions also apply—
- “apparatus” includes any equipment, machinery or device (whether physical or logical) and any wire or cable;
- “communication”, for the purpose of a telecommunication system, includes—
- (a) anything comprising speech, music, sounds, visual images or data of any description, and
  - (b) signals serving for the impartation of anything between persons, between a person and a thing or between things, for the actuation or control of any apparatus;
- “content”, in relation to a communication and a telecommunication system, means any element of the communication, or any data attached to or logically associated with the communication, which reveals anything of what might reasonably be considered to be the meaning (if any) of the communication, but—
- (c) any meaning arising from the fact of the communication or from any data relating to the transmission of the communication is to be disregarded, and
  - (d) anything which is systems data is not content;
- “systems data” means any data that enables or facilitates, or identifies or describes anything connected with enabling or facilitating, the functioning of a telecommunication system (including any apparatus forming part of the system);
- “a telecommunication system” means a system (including the apparatus comprised in it) that exists for the purpose of facilitating the transmission of communications by any means involving the use of electrical or electromagnetic energy;
- “wireless telegraphy” and “wireless telegraphy apparatus” have the same meaning as in sections 116 and 117 of the Wireless Telegraphy Act 2006<sup>(19)</sup>.

### **Interpretation of other expressions used in Part 5**

- 27.**—(1) Paragraphs 32 to 36 of Schedule 1 to the Act (trade sanctions) apply for the purpose of interpreting expressions in this Part.
- (2) In this Part, any reference to the United Kingdom includes a reference to the territorial sea.
- (3) In this Part—
- (a) the following definitions apply—
- “technical assistance”, in relation to goods or technology, means—
- (i) technical support relating to the repair, development, production, assembly, testing, use or maintenance of the goods or technology, or
  - (ii) any other technical service relating to the goods or technology;
- “transfer” has the meaning given by paragraph 37 of Schedule 1 to the Act;
- (b) the following terms have the meaning given to them in the Dual-Use Regulation—
- “basic scientific research”;
- “in the public domain”.
- (4) For the purpose of regulation 25(5), software is “generally available to the public” if the software is sold from stock at retail selling points without restriction, by means of—
- (a) over the counter transactions,
  - (b) mail order transactions,
  - (c) electronic transactions, or

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<sup>(19)</sup> 2006 c.36.

- (d) telephone order transactions.
- (5) For the purposes of Chapters 2 and 4, a person is to be regarded as “connected with” Syria if the person is—
  - (a) an individual who is, or an association or combination of individuals who are, ordinarily resident in Syria,
  - (b) an individual who is, or an association or combination of individuals who are, located in Syria,
  - (c) a person, other than an individual, which is incorporated or constituted under the law of Syria, or
  - (d) a person, other than an individual, which is domiciled in Syria.
- (6) For the purposes of Chapter 4, “a Syrian regime person” means—
  - (a) the Syrian regime;
  - (b) the Central Bank of Syria;
  - (c) a person acting on behalf, or at the direction, of a person mentioned in sub-paragraph (a) or (b);
  - (d) a person who is not an individual and who is owned or controlled directly or indirectly (within the meaning of regulation 7) by a person mentioned in sub-paragraph (a) or (b).

## CHAPTER 2

### Trade prohibitions relating to export, supply, sale and transfer

#### **Application of prohibitions in Chapter 2 of Part 5**

**28.**—(1) Except where otherwise provided, the prohibitions contained in this Chapter apply to the goods falling within paragraph (2) and the technology falling within paragraph (3).

- (2) The following goods fall within this paragraph—
  - (a) aviation fuel and aviation fuel additives (but not for the purpose of regulation 33 (technical assistance));
  - (b) goods relating to chemical and biological weapons;
  - (c) goods relating to crude oil and natural gas;
  - (d) interception and monitoring goods;
  - (e) internal repression goods.
- (3) The following technology falls within this paragraph—
  - (a) interception and monitoring technology;
  - (b) internal repression technology;
  - (c) technology relating to chemical and biological weapons;
  - (d) technology relating to crude oil and natural gas.

#### **Export prohibition**

- 29.**—(1) The export of goods to which this paragraph applies to, or for use in, Syria is prohibited.
- (2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

### **Supply and delivery prohibition**

**30.**—(1) A person must not directly or indirectly supply or deliver goods to which this paragraph applies from a third country to a place in Syria.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with that offence to show that the person did not know and had no reasonable cause to suspect that the goods were destined (or ultimately destined) for Syria.

(4) In this regulation “third country” means a country that is not the United Kingdom, the Isle of Man or Syria.

### **Prohibition in connection with making goods and technology available**

**31.**—(1) A person must not—

- (a) directly or indirectly make goods or technology to which this paragraph applies available to a person connected with Syria, or
- (b) directly or indirectly make goods or technology to which this paragraph applies available for use in Syria.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes a prohibition in paragraph (1) commits an offence, but—

- (a) it is a defence for a person charged with the offence of contravening paragraph (1)(a) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with Syria;
- (b) it is a defence for a person charged with the offence of contravening paragraph (1)(b) to show that the person did not know and had no reasonable cause to suspect that the goods or technology were for use in Syria.

### **Transfer of technology prohibition**

**32.**—(1) A person must not—

- (a) transfer technology to which this paragraph applies to a place in Syria, or
- (b) transfer technology to which this paragraph applies to a person connected with Syria.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes a prohibition in paragraph (1) commits an offence, but—

- (a) it is a defence for a person charged with the offence of contravening paragraph (1)(a) to show that the person did not know and had no reasonable cause to suspect that the transfer was to a place in Syria;
- (b) it is a defence for a person charged with the offence of contravening paragraph (1)(b) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with Syria.

### **Prohibition relating to the associated provision of technical assistance**

**33.**—(1) A person must not directly or indirectly provide technical assistance relating to goods or technology to which this paragraph applies—

- (a) to a person connected with Syria, or
- (b) for use in Syria.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

- (3) A person who contravenes a prohibition in paragraph (1) commits an offence, but—
  - (a) it is a defence for a person charged with the offence of contravening paragraph (1)(a) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with Syria;
  - (b) it is a defence for a person charged with the offence of contravening paragraph (1)(b) to show that the person did not know and had no reasonable cause to suspect that the goods or technology were for use in Syria.
- (4) This regulation does not apply to aviation fuel and aviation fuel additives.

### **Prohibitions relating to the associated provision of financial services and funds**

**34.**—(1) A person must not directly or indirectly provide, to a person connected with Syria, financial services in pursuance of or in connection with an arrangement whose object or effect is—

- (a) the export of goods to which this paragraph applies,
- (b) the direct or indirect supply or delivery of goods to which this paragraph applies,
- (c) directly or indirectly making goods or technology to which this paragraph applies available to a person,
- (d) the transfer of technology to which this paragraph applies, or
- (e) the direct or indirect provision of technical assistance relating to goods or technology to which this paragraph applies.

(2) A person must not directly or indirectly make funds available to a person connected with Syria in pursuance of or in connection with an arrangement mentioned in paragraph (1).

(3) A person must not directly or indirectly provide financial services or funds in pursuance of or in connection with an arrangement whose object or effect is—

- (a) the export of goods to which this paragraph applies to, or for use in, Syria,
- (b) the direct or indirect supply or delivery of goods to which this paragraph applies to a place in Syria,
- (c) directly or indirectly making goods or technology to which this paragraph applies available—
  - (i) to a person connected with Syria, or
  - (ii) for use in Syria,
- (d) the transfer of technology to which this paragraph applies —
  - (i) to a person connected with Syria, or
  - (ii) to a place in Syria, or
- (e) the direct or indirect provision of technical assistance relating to goods or technology to which this paragraph applies —
  - (i) to a person connected with Syria, or
  - (ii) for use in Syria.

(4) Paragraphs (1) to (3) are subject to Part 7 (Exceptions and licences).

(5) A person who contravenes a prohibition in any of paragraphs (1) to (3) commits an offence, but—

- (a) it is a defence for a person charged with an offence of contravening paragraph (1) or (2) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with Syria;

- (b) it is a defence for a person charged with an offence of contravening a prohibition in paragraph (3) to show that the person did not know and had no reasonable cause to suspect that the financial services or funds (as the case may be) were provided in pursuance of or in connection with an arrangement mentioned in that paragraph.

**Prohibitions relating to the associated provision of brokering services: non-UK activity**

**35.**—(1) A person must not directly or indirectly provide brokering services in relation to an arrangement (“arrangement A”) whose object or effect is—

- (a) the direct or indirect supply or delivery of goods to which this paragraph applies from a third country to a place in Syria,
- (b) directly or indirectly making goods to which this paragraph applies available in a third country for direct or indirect supply or delivery—
  - (i) to a person connected with Syria, or
  - (ii) to a place in Syria,
- (c) directly or indirectly making technology to which this paragraph applies available in a third country for transfer—
  - (i) to a person connected with Syria, or
  - (ii) to a place in Syria,
- (d) the transfer of technology to which this paragraph applies from a place in a third country—
  - (i) to a person connected with Syria, or
  - (ii) to a place in Syria,
- (e) the direct or indirect provision, in a non-UK country, of technical assistance relating to goods or technology to which this paragraph applies —
  - (i) to a person connected with Syria, or
  - (ii) for use in Syria,
- (f) the direct or indirect provision, in a non-UK country, of financial services—
  - (i) to a person connected with Syria, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 34(1), or
  - (ii) where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 34(3),
- (g) directly or indirectly making funds available, in a non-UK country, to a person connected with Syria, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 34(1), or
- (h) the direct or indirect provision of funds from a non-UK country, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 34(3).

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes a prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with that offence to show that the person did not know and had no reasonable cause to suspect that the brokering services were provided in relation to an arrangement mentioned in that paragraph.

(4) In this regulation—

“non-UK country” means a country that is not the United Kingdom;

“third country” means—

- (a) for the purposes of paragraph (1)(a) and (b), a country that is not the United Kingdom, the Isle of Man or Syria, and
- (b) for the purposes of any other provision of paragraph (1), a country that is not the United Kingdom or Syria.

## CHAPTER 3

### Trade prohibitions relating to import, purchase and transportation

#### **Import of arms and related materiel, crude oil and petroleum products**

**36.**—(1) The import of the following goods which are consigned from Syria is prohibited—

- (a) arms and related materiel;
  - (b) crude oil and petroleum products.
- (2) The import of the goods mentioned in paragraph (1) which originate in Syria is prohibited.
- (3) Paragraphs (1) and (2) are subject to Part 7 (Exceptions and licences).

#### **Purchase of military goods and technology, crude oil and petroleum products**

**37.**—(1) A person must not—

- (a) directly or indirectly acquire goods or technology to which this paragraph applies which originate in Syria;
  - (b) directly or indirectly acquire goods or technology to which this paragraph applies which are located in Syria.
- (2) Paragraph (1) applies to—
- (a) crude oil and petroleum products,
  - (b) military goods, and
  - (c) military technology.
- (3) Paragraph (1) is subject to Part 7 (Exceptions and licences).
- (4) A person who contravenes a prohibition in paragraph (1) commits an offence, but—
- (a) it is a defence for a person charged with the offence of contravening paragraph (1)(a) to show that the person did not know and had no reasonable cause to suspect that the goods or technology originated in Syria;
  - (b) it is a defence for a person charged with the offence of contravening paragraph (1)(b) to show that the person did not know and had no reasonable cause to suspect that the goods or technology were located in Syria.

#### **Transport of military goods, crude oil and petroleum products**

**38.**—(1) A person must not directly or indirectly supply or deliver goods to which this paragraph applies from a place in Syria to a third country where those goods—

- (a) originate in Syria, or
  - (b) are consigned from Syria.
- (2) A person must not directly or indirectly supply or deliver crude oil and petroleum products from a place in a non-UK country to a place in a different non-UK country where the crude oil or petroleum products originate in Syria.
- (3) Paragraph (1) applies to—

- (a) crude oil and petroleum products, and
  - (b) military goods.
- (4) Paragraphs (1) and (2) are subject to Part 7 (Exceptions and licences).
- (5) A person who contravenes a prohibition in paragraph (1) or (2) commits an offence, but—
- (a) it is a defence for a person charged with the offence of contravening paragraph (1)(a) or (2) to show that the person did not know and had no reasonable cause to suspect that the goods originated in Syria;
  - (b) it is a defence for a person charged with the offence of contravening paragraph (1)(b) to show that the person did not know and had no reasonable cause to suspect that the goods were consigned from Syria.
- (6) In this regulation—
- “non-UK country” means a country that is not the United Kingdom or the Isle of Man;
  - “third country” means a country that is not the United Kingdom, the Isle of Man or Syria.

### **Transfer of military technology**

**39.**—(1) A person must not transfer military technology to persons outside the United Kingdom or to a place outside the United Kingdom, where the transfer is from a place in Syria.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with the offence to show that the person did not know and had no reasonable cause to suspect that the transfer was from a place in Syria.

### **Prohibitions relating to the associated provision of financial services and funds**

**40.**—(1) A person must not directly or indirectly provide financial services or funds in pursuance of or in connection with an arrangement whose object or effect is—

- (a) the import of goods to which regulation 36 applies which—
    - (i) originate in Syria, or
    - (ii) are consigned from Syria;
  - (b) the direct or indirect acquisition of goods or technology to which regulation 37(1) applies—
    - (i) originating in Syria, or
    - (ii) located in Syria;
  - (c) the direct or indirect supply or delivery of goods to which regulation 38(1) applies from a place in Syria to a third country, where those goods—
    - (i) originate in Syria, or
    - (ii) are consigned from Syria;
  - (d) the direct or indirect supply or delivery of crude oil and petroleum products from a place in a non-UK country to a place in a different non-UK country where the crude oil or petroleum products originate in Syria;
  - (e) the transfer of military technology to persons outside the United Kingdom or to a place outside the United Kingdom where the transfer is from a place in Syria.
- (2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes a prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with an offence of contravening a prohibition in paragraph (1) to show that the person did not know and had no reasonable cause to suspect that the financial services or funds (as the case may be) were provided in pursuance of or in connection with an arrangement mentioned in that paragraph.

## CHAPTER 4

### Trade prohibitions relating to particular categories of goods

#### **Bank notes or coinage**

**41.**—(1) The export of bank notes or coinage to, or for the benefit of, the Central Bank of Syria is prohibited.

(2) A person must not directly or indirectly—

- (a) supply or deliver bank notes or coinage from a third country to, or for the benefit of, the Central Bank of Syria;
- (b) make bank notes or coinage available to, or for the benefit of, the Central Bank of Syria.

(3) Paragraphs (1) and (2) are subject to Part 7 (Exceptions and licences).

(4) A person who contravenes a prohibition in paragraph (2) commits an offence, but—

- (a) it is a defence for a person charged with an offence of contravening paragraph (2)(a) (“P”) to show that P did not know and had no reasonable cause to suspect that the person to whom, or for whose benefit, the bank notes or coinage were supplied or delivered was the Central Bank of Syria;
- (b) it is a defence for a person charged with an offence of contravening paragraph (2)(b) (“P”) to show that P did not know and had no reasonable cause to suspect that the person to whom, or for whose benefit, the bank notes or coinage were made available was the Central Bank of Syria.

(5) For the purposes of paragraph (2), “third country” means a country that is not the United Kingdom, the Isle of Man or Syria.

#### **Goods prohibitions relating to gold, precious metals or diamonds**

**42.**—(1) The export of gold, precious metals or diamonds to a Syrian regime person is prohibited.

(2) The import of gold, precious metals or diamonds consigned from a Syrian regime person is prohibited.

(3) A person must not directly or indirectly—

- (a) supply or deliver gold, precious metals or diamonds from a third country to a Syrian regime person;
- (b) make gold, precious metals or diamonds available to a Syrian regime person;
- (c) supply or deliver gold, precious metals or diamonds from a Syrian regime person to a place in a non-UK country;
- (d) acquire gold, precious metals or diamonds from a Syrian regime person.

(4) Paragraphs (1) to (3) are subject to Part 7 (Exceptions and licences).

(5) A person who contravenes a prohibition in paragraph (3) commits an offence, but it is a defence for a person charged with that offence (“P”) to show that P did not know and had no reasonable cause to suspect that the person was a Syrian regime person.

(6) In this regulation—

“non-UK country” means a country that is not the United Kingdom or the Isle of Man;  
“third country” means a country that is not the United Kingdom, the Isle of Man or Syria.

#### **Technical assistance relating to gold, precious metals or diamonds**

**43.**—(1) A person must not directly or indirectly provide technical assistance relating to gold, precious metals or diamonds to a Syrian regime person.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with that offence (“P”) to show that P did not know and had no reasonable cause to suspect that the person was a Syrian regime person.

#### **Financial services and funds relating to gold, precious metals or diamonds**

**44.**—(1) A person must not directly or indirectly provide financial services to a Syrian regime person in pursuance of or in connection with an arrangement whose object or effect is—

- (a) the export of gold, precious metals or diamonds,
- (b) the import of gold, precious metals or diamonds,
- (c) the direct or indirect supply or delivery of gold, precious metals or diamonds, or
- (d) directly or indirectly making gold, precious metals or diamonds available to a person.

(2) A person must not directly or indirectly make funds available to a Syrian regime person in pursuance of or in connection with an arrangement mentioned in paragraph (1).

(3) A person must not directly or indirectly provide financial services or funds in pursuance of or in connection with an arrangement whose object or effect is—

- (a) the export of gold, precious metals or diamonds to a Syrian regime person,
- (b) the import of gold, precious metals or diamonds consigned from a Syrian regime person,
- (c) the direct or indirect supply or delivery of gold, precious metals or diamonds to or from a Syrian regime person, or
- (d) directly or indirectly making gold, precious metals or diamonds available to a Syrian regime person.

(4) Paragraphs (1) to (3) are subject to Part 7 (Exceptions and licences).

(5) A person who contravenes a prohibition in paragraph (1) or (2) commits an offence, but it is a defence for a person charged with an offence of contravening either of those paragraphs (“P”) to show that P did not know and had no reasonable cause to suspect that the person was a Syrian regime person.

(6) A person who contravenes the prohibition in paragraph (3) commits an offence, but it is a defence for a person charged with that offence to show that the person did not know and had no reasonable cause to suspect that the financial services or funds (as the case may be) were provided in pursuance of or in connection with an arrangement mentioned in that paragraph.

#### **Brokering services: non-UK activity relating to gold, precious metals or diamonds**

**45.**—(1) A person must not directly or indirectly provide brokering services to a Syrian regime person in relation to an arrangement (“arrangement A”) whose object or effect is—

- (a) the direct or indirect supply or delivery of gold, precious metals or diamonds from a non-UK country to a different non-UK country,

- (b) directly or indirectly making gold, precious metals or diamonds available, in a non-UK country, for supply or delivery to a different non-UK country,
  - (c) the direct or indirect acquisition, in a non-UK country, of gold, precious metals or diamonds for supply or delivery to a different non-UK country,
  - (d) the direct or indirect procurement, from a non-UK country, of technical assistance relating to gold, precious metals or diamonds,
  - (e) the direct or indirect procurement of financial services, from a non-UK country, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 44(1), or
  - (f) the direct or indirect provision of funds, from a non-UK country, where arrangement A, or any other arrangement in connection with which arrangement A is entered into, is an arrangement mentioned in regulation 44(1).
- (2) A person must not directly or indirectly provide brokering services in relation to an arrangement (“arrangement A”) whose object or effect is—
- (a) the direct or indirect supply or delivery of gold, precious metals or diamonds from a third country to a Syrian regime person,
  - (b) the direct or indirect supply or delivery of gold, precious metals or diamonds from a Syrian regime person to a place in a third country,
  - (c) directly or indirectly making gold, precious metals or diamonds available, in a third country, for direct or indirect supply or delivery to a Syrian regime person,
  - (d) the direct or indirect acquisition, in a third country, of gold, precious metals or diamonds from a Syrian regime person.
- (3) Paragraphs (1) and (2) are subject to Part 7 (Exceptions and licences).
- (4) A person who contravenes a prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with that offence (“P”) to show that P did not know and had no reasonable cause to suspect that the person was a Syrian regime person.
- (5) A person who contravenes a prohibition in paragraph (2) commits an offence, but it is a defence for a person charged with that offence to show that the person did not know and had no reasonable cause to suspect that the brokering services were provided in relation to an arrangement mentioned in that paragraph.
- (6) In this regulation—
- “non-UK country” means—
  - (a) for the purposes of paragraph (1)(a), (b) and (c), a country that is not the United Kingdom or the Isle of Man, and
  - (b) for the purposes of any other provision of this regulation, a country that is not the United Kingdom;
- “third country” means a country that is not the United Kingdom, the Isle of Man or Syria.

### **Luxury goods**

- 46.**—(1) The export of luxury goods to Syria is prohibited.
- (2) A person must not directly or indirectly supply or deliver luxury goods from a third country to a place in Syria.
- (3) A person must not directly or indirectly make luxury goods available to a person connected with Syria.
- (4) Paragraphs (1) to (3) are subject to Part 7 (Exceptions and licences).

- (5) A person who contravenes a prohibition in paragraphs (2) or (3) commits an offence, but—
  - (a) it is a defence for a person charged with the offence of contravening paragraph (2) to show that the person did not know and had no reasonable cause to suspect that the goods were destined (or ultimately destined) for Syria;
  - (b) it is a defence for a person charged with the offence of contravening paragraph (3) (“P”) to show that P did not know and had no reasonable cause to suspect that the person was connected with Syria.
- (6) In this regulation, “third country” means a country that is not the United Kingdom, the Isle of Man or Syria.

### **Electricity production**

**47.**—(1) The export of goods relating to electricity production to, or for use in, Syria is prohibited.

- (2) A person must not directly or indirectly—
  - (a) supply or deliver goods relating to electricity production from a third country to a place in Syria;
  - (b) make goods relating to electricity production available for use in Syria.
- (3) A person must not directly or indirectly provide—
  - (a) technical assistance,
  - (b) financial services, or
  - (c) funds,

where such provision relates to the construction or installation in Syria of a new power plant for electricity production.

- (4) Paragraphs (1) to (3) are subject to Part 7 (Exceptions and licences).
- (5) A person who contravenes a prohibition in paragraph (2) or (3) commits an offence, but—
  - (a) it is a defence for a person charged with an offence of contravening the prohibition in paragraph (2)(a) to show that the person did not know and had no reasonable cause to suspect that the goods were destined (or ultimately destined) for Syria;
  - (b) it is a defence for a person charged with an offence of contravening the prohibition in paragraph (2)(b) to show that the person did not know and had no reasonable cause to suspect that the goods were for use in Syria;
  - (c) it is a defence for a person charged with an offence of contravening a prohibition in paragraph (3) to show that the person did not know and had no reasonable cause to suspect that the provision as mentioned in paragraph (3) would relate to the construction or installation in Syria of a new power plant for electricity production.
- (6) In this regulation—
  - “technical assistance” means the provision of technical support or any other technical service;
  - “third country” means a country that is not the United Kingdom, the Isle of Man or Syria.

## **CHAPTER 5**

### **Interception and monitoring services**

#### **Provision of interception and monitoring services**

**48.**—(1) A person must not directly or indirectly provide interception and monitoring services to, or for the benefit of, the Syrian regime.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with that offence (“P”) to show that P did not know and had no reasonable cause to suspect that the services were provided to, or for the benefit of, the Syrian regime.

## CHAPTER 6

### Further provision

#### **Circumventing etc prohibitions**

**49.**—(1) A person must not intentionally participate in activities knowing that the object or effect of them is, whether directly or indirectly—

- (a) to circumvent any of the prohibitions in Chapters 2 to 5 of this Part, or
- (b) to enable or facilitate the contravention of any such prohibition.

(2) A person who contravenes a prohibition in paragraph (1) commits an offence.

#### **Defences**

**50.**—(1) Paragraph (2) applies where a person relies on a defence under any of Chapters 2 to 5 of this Part.

(2) If evidence is adduced which is sufficient to raise an issue with respect to the defence, the court must assume that the defence is satisfied unless the prosecution proves beyond reasonable doubt that it is not.

## PART 6

### Aircraft

#### **Movement of aircraft**

**51.**—(1) The following aircraft must not land in the United Kingdom—

- (a) any aircraft that is operated by Syrian Arab Airlines, or
- (b) any aircraft that is owned, chartered or operated by a person who is—
  - (i) connected with Syria (within the meaning of regulation 27(5)), and
  - (ii) using that aircraft exclusively for the provision of air cargo services.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) The Secretary of State may direct the CAA to—

- (a) refuse permission under article 250 of the ANO in respect of an aircraft falling within paragraph (1);
- (b) revoke any permission under article 250 of the ANO in respect of an aircraft falling within paragraph (1).

(4) An airport operator may direct the operator or pilot in command of an aircraft falling within paragraph (1) not to land, or not to permit the aircraft to land, at an airport.

(5) The Secretary of State may direct an airport operator to give a direction under paragraph (4).

(6) In this regulation, “air cargo services” means a service for the carriage by air of cargo, including mail and animals.

### **Directions under regulation 51: supplementary**

**52.**—(1) Where a direction is given under regulation 51(3)(b)—

- (a) to the extent that the direction conflicts with the requirements of article 255 of the ANO (revocation etc of permissions), those requirements are to be disregarded, and
- (b) article 255(4) of the ANO does not apply in relation to the revocation which is the subject of the direction.

(2) Where a direction is given under regulation 51 which conflicts with a permission under article 250 of the ANO, the permission is to be disregarded.

(3) In so far as a direction under regulation 51 conflicts with the requirements of section 93 of the Transport Act 2000<sup>(20)</sup> or of an order under section 94 of that Act, the direction is to be disregarded.

(4) In so far as a direction under regulation 51 conflicts with the requirements of an enactment other than section 93 of the Transport Act 2000 or an order under section 94 of that Act, the requirements are to be disregarded.

(5) The Secretary of State may notify a person that the existence, any part of the content of a direction under regulation 51, or anything done under the direction, is to be treated as confidential.

(6) A person must not disclose any information if the Secretary of State notifies that person under paragraph (5) that the information is to be treated as confidential.

### **Offences**

**53.**—(1) If a prohibition in regulation 51(1) is contravened by the landing of an aircraft falling within that paragraph, the operator and pilot in command of the aircraft commit an offence.

(2) It is an offence for a person to whom a direction is given under regulation 51(4) (direction by airport operator to operator or pilot of aircraft) to fail to comply with the direction.

(3) It is an offence for an airport operator to fail, without reasonable excuse, to comply with a direction given by the Secretary of State under regulation 51(5).

(4) A person who contravenes the prohibition in regulation 52(6) (disclosure of direction) commits an offence.

### **Interpretation**

**54.**—(1) In this Part—

“the ANO” means the Air Navigation Order 2016<sup>(21)</sup>;

“beneficial interest” means any beneficial interest, however arising (whether held by trustee or nominee or arising under a contract or otherwise), other than an interest held by any person as mortgagee.

(2) For the purposes of regulation 51(1)(b), an aircraft is “owned” by a person if—

- (a) the legal title to the aircraft, or to any share in the aircraft, is vested in the person, or
- (b) the person has a beneficial interest in the aircraft or in any share in the aircraft,

and the reference to a legal title or other interest includes one held jointly with any other person or persons.

(3) Any expression used in this Part and in section 6 of the Act (aircraft sanctions) has the same meaning in this Part as it has in that section.

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<sup>(20)</sup> 2000 c.38.

<sup>(21)</sup> S.I. 2016/765. There are amendments which are not relevant to these Regulations.

## PART 7

### Exceptions and licences

#### Asset-freeze etc: exceptions from prohibitions

**55.**—(1) The prohibition in regulation 11 (asset-freeze in relation to designated persons) is not contravened by an independent person (“P”) transferring to another person a legal or equitable interest in funds or economic resources where, immediately before the transfer, the interest—

- (a) is held by P, and
- (b) is not held jointly with the designated person.

(2) In paragraph (1), “independent person” means a person who—

- (a) is not the designated person, and
- (b) is not owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person.

(3) The prohibitions in regulations 11 to 13 (asset-freeze in relation to, and making funds available to or for the benefit of, designated persons) are not contravened by a relevant institution crediting a frozen account with interest or other earnings due on the account.

(4) The prohibitions in regulations 12 and 13 (making funds available to, or for the benefit of, designated persons) are not contravened by a relevant institution crediting a frozen account where it receives funds transferred to that institution for crediting to that account.

(5) The prohibitions in regulations 12 and 13 are not contravened by the transfer of funds to a relevant institution for crediting to an account held or controlled (directly or indirectly) by a designated person, where those funds are transferred in discharge (or partial discharge) of an obligation which arose before the date on which the person became a designated person.

(6) The prohibitions in regulations 11 to 13 are not contravened in relation to a designated person (“P”) by a transfer of funds from account A to account B, where—

- (a) account A is with a relevant institution which carries on an excluded activity within the meaning of section 142D of the Financial Services and Markets Act 2000<sup>(22)</sup>,
- (b) account B is with a ring-fenced body within the meaning of section 142A of the Financial Services and Markets Act 2000<sup>(23)</sup>, and
- (c) accounts A and B are held or controlled (directly or indirectly) by P.

(7) In this regulation—

- “designated person” has the same meaning as it has in Chapter 1 of Part 3 (Finance);
- “frozen account” means an account with a relevant institution which is held or controlled (directly or indirectly) by a designated person;
- “relevant institution” means a person that has permission under Part 4A of the Financial Services and Markets Act 2000 (permission to carry on regulated activity).

(8) The definition of “relevant institution” in paragraph (7) is to be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section and Schedule 2 to that Act.

<sup>(22)</sup> Section 142D was inserted by the Financial Services (Banking Reform) Act 2013 (c.33), section 4(1).

<sup>(23)</sup> Section 142A was inserted by the Financial Services (Banking Reform) Act 2013, section 4(1).

### **Exceptions relating to insurance and reinsurance services**

**56.**—(1) The prohibition in regulation 20 (insurance and reinsurance services) is not contravened by—

- (a) the provision of compulsory or third party insurance to an individual who is a national of Syria or to a body incorporated or constituted under the law of Syria which is located in the United Kingdom;
- (b) the provision of insurance for a diplomatic mission or consular post of Syria in the United Kingdom.

(2) The prohibition in regulation 20, insofar as it prohibits the provision of insurance or reinsurance services to persons acting on behalf or at the direction of the Syrian regime, is not contravened by—

- (a) the provision of insurance or reinsurance services to an individual acting on behalf or at the direction of the Syrian regime, provided that the insurance or reinsurance is for that individual's personal use;
- (b) the provision of insurance or reinsurance services to a person who is the owner of a ship or aircraft which is chartered, or a vehicle which is hired, by the Syrian regime, provided that the person is not a designated person.

### **Exceptions relating to petroleum products**

**57.**—(1) A relevant prohibition is not contravened where funds or economic resources are made available from the account of a diplomatic mission or consular post for the purposes of—

- (a) purchasing, supplying or delivering petroleum products, or
- (b) providing funds, economic resources or financial services in relation to the purchase, delivery or supply of petroleum products,

where the petroleum products are purchased exclusively for the official purposes of that diplomatic mission or that consular post (as the case may be).

(2) A relevant prohibition is not contravened where funds or economic resources are made available by a UK funded person for the purposes of—

- (a) purchasing, supplying or delivering petroleum products, or
- (b) providing funds, economic resources or financial services in relation to the purchase, supply or delivery of petroleum products,

where the petroleum products are purchased, supplied or delivered exclusively for the purposes of providing a humanitarian assistance activity.

(3) For the purposes of paragraphs (1) and (2), “a relevant prohibition” means—

- (a) a prohibition in any of regulations 12 to 15,
- (b) the prohibition in regulation 37(1) (purchase of military goods and technology, crude oil and petroleum products),
- (c) the prohibition in regulation 38(1) (transport of military goods, crude oil and petroleum products),
- (d) the prohibitions in regulation 40(1)(b) and (c) (prohibitions relating to the provision of financial services and funds associated with purchase and transport prohibitions).

(4) The prohibition in regulation 37(1)(b) is not contravened where a person acquires kerosene jet fuel, which is located in Syria, intending that it be used exclusively for the purpose of the continuation of the flight operation of the aircraft into which the kerosene jet fuel is to be loaded.

(5) A person (“P”) must notify the Secretary of State if P makes funds or economic resources available in accordance with paragraph (2) by no later than the end of the calendar year in which the funds or economic resources are made available.

(6) A person who fails to comply with the requirement in paragraph (5) commits an offence.

(7) In this regulation—

“kerosene jet fuel” means any thing falling within paragraph 2(c) in Part 2 of Schedule 2;

“petroleum products” has the meaning given to it in Schedule 2;

“UK funded person” means any person that receives funding from any part of the Government of the United Kingdom for the purpose of providing a humanitarian assistance activity in Syria.

### **Trade: exceptions from further prohibitions**

**58.**—(1) This paragraph applies where aviation fuel or aviation fuel additives are exclusively for use by non-Syrian aircraft landing in Syria for the purpose of the continuation of the flight operation of that aircraft.

(2) Where paragraph (1) applies, the following prohibitions are not contravened—

(a) regulation 29 (export prohibition);

(b) regulation 30 (supply and delivery prohibition);

(c) regulation 31 (prohibition in connection with making goods and technology available);

(d) regulation 32 (transfer of technology prohibition);

(e) regulation 34 (prohibitions relating to the associated provision of financial services and funds);

(f) regulation 35 (prohibitions relating to the associated provision of brokering services).

(3) The prohibitions in regulation 46 (luxury goods) are not contravened by the export, supply, delivery or making available of—

(a) the personal effects of a person travelling to Syria;

(b) goods of a non-commercial nature for the personal use of a person travelling to Syria and contained in that person’s luggage.

(4) The following prohibitions are not contravened by any thing done in accordance with paragraph 10 of resolution 2118 to ensure the elimination of the chemical weapons programme of the Syrian regime—

(a) the prohibitions in regulation 36(1) and (2), insofar as they relate to arms and related materiel (import of arms and related materiel);

(b) the prohibition in regulation 38(1), insofar as it relates to military goods (transport of military goods);

(c) regulation 39(1) (transfer of military technology);

(d) the prohibition in regulation 40(1)(a), insofar as it relates to arms and related materiel (prohibition relating to the provision of financial services and funds relating to the import of arms and related materiel);

(e) the prohibition in regulation 40(1)(c), insofar as it relates to military goods (prohibition relating to the provision of financial services and funds relating to the transport of military goods);

(f) the prohibition in regulation 40(1)(e) (prohibition relating to the provision of financial services and funds relating to the transfer of military technology).

(5) For the purposes of this regulation—

“aviation fuel and aviation fuel additives” has the meaning given to it in paragraph 2 in Part 2 of Schedule 2;

“luxury goods” has the meaning given to it in paragraph 7 in Part 2 of Schedule 2;

“non-Syrian aircraft” means an aircraft registered in a country other than Syria;

“resolution 2118” means resolution 2118 (2013) adopted by the Security Council on 27 September 2013.

### **Aircraft: exceptions from prohibitions**

**59.**—(1) The prohibition in regulation 51(1) is not contravened by an aircraft falling within that paragraph (“A”) landing in the United Kingdom, where—

- (a) A lands in the United Kingdom to avoid endangering the lives of persons on board or the safety of the aircraft;
- (b) A, which is engaged in non-scheduled international air services, exercises its right to land in the United Kingdom for non-traffic purposes in accordance with Article 5 of the Chicago Convention;
- (c) A, which is engaged in scheduled international air services, exercises its right to land in the United Kingdom for non-traffic purposes in accordance with section 1 of Article 1 of the IASTA.

(2) For the purposes of this regulation—

“the Chicago Convention” means the Convention on International Civil Aviation and its Annexes, signed at Chicago on 7th December 1944<sup>(24)</sup>;

“the IASTA” means the International Air Services Transit Agreement signed at Chicago on 7th December 1944<sup>(25)</sup>;

“non-traffic purposes” is to be read in accordance with article 96(d) of the Chicago Convention.

### **Exception for acts done for purposes of national security or prevention of serious crime**

**60.**—(1) Where an act would, in the absence of this paragraph, be prohibited by regulation 9(2) (confidentiality) or any prohibition in Part 3 (Finance), 5 (Trade) or 6 (Aircraft), that prohibition does not apply to the act if the act is one which a responsible officer has determined would be in the interests of—

- (a) national security, or
- (b) the prevention or detection of serious crime in the United Kingdom or elsewhere.

(2) Where, in the absence of this paragraph, a thing would be required to be done under or by virtue of a provision of Part 6 (Aircraft), regulation 57(5) (notification requirement in respect of exceptions relating to petroleum products), Part 8 (Information and records) or Part 10 (Maritime enforcement), that requirement does not apply if a responsible officer has determined that not doing the thing in question would be in the interests of—

- (a) national security, or
- (b) the prevention or detection of serious crime in the United Kingdom or elsewhere.

(3) In this regulation “responsible officer” means a person in the service of the Crown or holding office under the Crown, acting in the course of that person’s duty.

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<sup>(24)</sup> United Nations Treaty Series, vol. 15, p. 295.

<sup>(25)</sup> United Nations Treaty Series, vol. 84, p. 389.

### **Treasury licences**

**61.**—(1) The prohibitions in regulations 11 to 15 (asset-freeze etc), regulation 16 (UK credit or financial institutions) and regulation 21 (investments in relation to crude oil and electricity production) do not apply to anything done under the authority of a licence issued by the Treasury under this paragraph.

(2) The Treasury may issue a licence which authorises acts by a particular person only where—

- (a) in relation to acts which would otherwise be prohibited by regulations 11 to 15, the Treasury consider that it is appropriate to issue the licence for a purpose set out in Part 2 of Schedule 6, and
- (b) in relation to acts which would otherwise be prohibited by regulations 16 or 21, the Treasury consider that it is appropriate to issue the licence for a purpose set out in Part 3 of Schedule 6.

### **Trade licences**

**62.** The prohibitions in Chapters 2 to 5 of Part 5 (Trade) do not apply to anything done under the authority of a licence issued by the Secretary of State under this regulation.

### **Aircraft licences**

**63.** The prohibition in regulation 51(1) (movement of aircraft) does not apply to anything done under the authority of a licence issued by the Secretary of State under this regulation.

### **Licences: general provisions**

**64.**—(1) This regulation applies in relation to aircraft licences, Treasury licences and trade licences.

(2) A licence must specify the acts authorised by it.

(3) A licence may be general or may authorise acts by a particular person or persons of a particular description.

(4) A licence may—

- (a) contain conditions;
- (b) be of indefinite duration or a defined duration.

(5) A person who issues a licence may vary, revoke or suspend it at any time.

(6) A person who issues, varies, revokes or suspends a licence which authorises acts by a particular person must give written notice to that person of the issue, variation, revocation or suspension of the licence.

(7) A person who issues, varies, revokes or suspends a general licence or a licence which authorises acts by persons of a particular description must take such steps as that person considers appropriate to publicise the issue, variation, revocation or suspension of the licence.

### **Finance: licensing offences**

**65.**—(1) A person (“P”) commits an offence if P knowingly or recklessly—

- (a) provides information that is false in a material respect, or
- (b) provides or produces a document that is not what it purports to be,

for the purpose of obtaining a Treasury licence (whether for P or anyone else).

(2) A person who purports to act under the authority of a Treasury licence but who fails to comply with any condition of the licence commits an offence.

#### **Trade: licensing offences**

**66.**—(1) A person (“P”) commits an offence if P knowingly or recklessly—

(a) provides information that is false in a material respect, or

(b) provides or produces a document that is not what it purports to be,

for the purpose of obtaining a trade licence (whether for P or anyone else).

(2) A person who purports to act under the authority of a trade licence but who fails to comply with any condition of the licence commits an offence.

(3) A licence in respect of which an offence under paragraph (1) has been committed is to be treated as void from the time at which it was issued.

#### **Aircraft: licensing offences**

**67.**—(1) A person (“P”) commits an offence if P knowingly or recklessly—

(a) provides information that is false in a material respect, or

(b) provides or produces a document that is not what it purports to be,

for the purpose of obtaining an aircraft licence (whether for P or anyone else).

(2) A person who purports to act under the authority of an aircraft licence but who fails to comply with any condition of the licence commits an offence.

(3) A licence in respect of which an offence under paragraph (1) has been committed is to be treated as void from the time at which it was issued.

#### **Section 8B(1) to (3) of Immigration Act 1971: directions**

**68.**—(1) The Secretary of State may direct that, in relation to any person within regulation 24 whose name is specified, or who is of a specified description, section 8B(1) and (2) of the Immigration Act 1971, or section 8B(3) of that Act, have effect subject to specified exceptions.

(2) A direction may contain conditions.

(3) A direction must be of a defined duration (and that duration may be expressed in any way, including, for example, being expressed in a way such that the direction ceases to have effect on, or within a specified period after, the occurrence of a specified event).

(4) The Secretary of State may vary, revoke or suspend a direction at any time.

(5) On the issue, variation, revocation or suspension of a direction, the Secretary of State may take such steps as the Secretary of State considers appropriate to publicise the issue, variation, revocation or suspension of the direction.

(6) In this regulation “specified” means specified in a direction.

## **PART 8**

### **Information and records**

#### **Finance: reporting obligations**

**69.**—(1) A relevant firm must inform the Treasury as soon as practicable if—

- (a) it knows, or has reasonable cause to suspect, that a person—
  - (i) is a designated person, or
  - (ii) has committed an offence under any provision of Part 3 (Finance) or regulation 65 (finance: licensing offences), and
- (b) the information or other matter on which the knowledge or cause for suspicion is based came to it in the course of carrying on its business.
- (2) Where a relevant firm informs the Treasury under paragraph (1), it must state—
  - (a) the information or other matter on which the knowledge or suspicion is based, and
  - (b) any information it holds about the person by which the person can be identified.
- (3) Paragraph (4) applies if—
  - (a) a relevant firm informs the Treasury under paragraph (1) that it knows, or has reasonable cause to suspect, that a person is a designated person, and
  - (b) that person is a customer of the relevant firm.
- (4) The relevant firm must also state the nature and amount or quantity of any funds or economic resources held by it for the customer at the time when it first had the knowledge or suspicion.
- (5) A relevant institution must inform the Treasury without delay if that institution—
  - (a) credits a frozen account in accordance with regulation 55(4) (finance: exceptions from prohibitions), or
  - (b) transfers funds from a frozen account in accordance with regulation 55(6).
- (6) A person who fails to comply with a requirement in paragraph (1), (2) or (4) commits an offence.
- (7) In this regulation—
  - “designated person” has the same meaning as it has in Chapter 1 of Part 3 (Finance);
  - “frozen account” has the same meaning as it has in regulation 55;
  - “relevant firm” is to be read in accordance with regulation 70;
  - “relevant institution” has the same meaning as it has in regulation 55.

#### **“Relevant firm”**

- 70.**—(1) The following are relevant firms for the purposes of regulation 69—
- (a) a person that has permission under Part 4A of the Financial Services and Markets Act 2000 (permission to carry on regulated activity);
  - (b) an undertaking that by way of business—
    - (i) operates a currency exchange office,
    - (ii) transmits money (or any representation of monetary value) by any means, or
    - (iii) cashes cheques that are made payable to customers;
  - (c) a firm or sole practitioner that is—
    - (i) a statutory auditor within the meaning of Part 42 of the Companies Act 2006 (statutory auditors), or
    - (ii) a local auditor within the meaning of section 4(1) of the Local Audit and Accountability Act 2014 (general requirements for audit)(26)
  - (d) a firm or sole practitioner that provides to other persons, by way of business—

- (i) accountancy services,
    - (ii) legal or notarial services,
    - (iii) advice about tax affairs, or
    - (iv) trust or company services within the meaning of paragraph (2);
  - (e) a firm or sole practitioner that carries out, or whose employees carry out, estate agency work;
  - (f) the holder of a casino operating licence within the meaning given by section 65(2)(a) of the Gambling Act 2005 (nature of a licence)(27);
  - (g) a person engaged in the business of making, supplying, selling (including selling by auction) or exchanging—
    - (i) articles made from gold, silver, platinum or palladium, or
    - (ii) precious stones or pearls.
- (2) In paragraph (1) “trust or company services” means any of the following services—
- (a) forming companies or other legal persons;
  - (b) acting, or arranging for another person to act—
    - (i) as a director or secretary of a company,
    - (ii) as a partner of a partnership, or
    - (iii) in a similar capacity in relation to other legal persons;
  - (c) providing a registered office, business address, correspondence or administrative address or other related services for a company, partnership or any other legal person or arrangement;
  - (d) acting, or arranging for another person to act, as—
    - (i) a trustee of an express trust or similar legal arrangement, or
    - (ii) a nominee shareholder for a person.
- (3) In paragraph (1)—
- “estate agency work” is to be read in accordance with section 1 of the Estate Agents Act 1979(28), but as if references in that section to disposing of or acquiring an interest in land included (despite anything in section 2 of that Act) references to disposing of or acquiring an estate or interest in land outside the United Kingdom where that estate or interest is capable of being owned or held as a separate interest;
- “firm” means any entity that, whether or not a legal person, is not an individual, and includes a body corporate and a partnership or other unincorporated body.
- (4) Paragraph (1)(a) and (b) is to be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section and Schedule 2 to that Act.
- (5) For the purposes of regulation 69(1), information or another matter comes to a relevant firm “in the course of carrying on its business” if the information or other matter comes to the firm—
- (a) in the case of a relevant firm within paragraph (1)(a), in the course of carrying on an activity in respect of which the permission mentioned in that provision is required;

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(27) 2005 c.19.

(28) 1979 c.38. Section 1 was amended by the Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 (c.73), Schedule 1, paragraph 40; the Planning (Consequential Provisions) Act 1990 (c.11), Schedule 2, paragraph 42; the Planning (Consequential Provisions) (Scotland) Act 1997 (c.11), Schedule 2, paragraph 28; the Enterprise and Regulatory Reform Act 2013 (c.24), section 70; S.I. 1991/2684; S.I. 2000/121; and S.I. 2001/1283.

- (b) in the case of a relevant firm within paragraph (1)(c)(i), in the course of carrying out statutory audit work within the meaning of section 1210 of the Companies Act 2006 (meaning of statutory auditor)<sup>(29)</sup>;
- (c) in the case of a relevant firm within paragraph (1)(c)(ii), in the course of carrying out an audit required by the Local Audit and Accountability Act 2014;
- (d) in the case of a relevant firm within paragraph (1)(f), in the course of carrying on an activity in respect of which the licence mentioned in that provision is required;
- (e) in the case of a relevant firm within any other provision of paragraph (1), in the course of carrying on an activity mentioned in that provision.

### **Finance: powers to request information**

- 71.—(1) The Treasury may request a designated person to provide information about—
- (a) funds or economic resources owned, held or controlled by, or on behalf of, the designated person, or
  - (b) any disposal of such funds or economic resources.
- (2) The Treasury may request a designated person to provide such information as the Treasury may reasonably require about expenditure—
- (a) by the designated person, or
  - (b) for the benefit of the designated person.
- (3) For the purposes of paragraph (2), expenditure for the benefit of a designated person includes expenditure on the discharge (or partial discharge) of a financial obligation for which the designated person is wholly or partly responsible.
- (4) The power in paragraph (1) or (2) is exercisable only where the Treasury believe that it is necessary for the purpose of monitoring compliance with or detecting evasion of any provision of Part 3 (Finance).
- (5) The Treasury may request a person acting under a Treasury licence to provide information about—
- (a) funds or economic resources dealt with under the licence,
  - (b) funds or economic resources made available under the licence, or
  - (c) any matter to which a licence relates, where that licence authorises an act that would otherwise be prohibited under Chapter 2 of Part 3 (Investments, financial services and financial markets).
- (6) The Treasury may request a person to provide information within paragraph (7) if the Treasury believe that the person may be able to provide the information.
- (7) Information within this paragraph is such information as the Treasury may reasonably require for the purpose of—
- (a) establishing for the purposes of any provision of Chapter 1 of Part 3 (Finance)—
    - (i) the nature and amount or quantity of any funds or economic resources owned, held or controlled by, or on behalf of, a designated person,
    - (ii) the nature and amount or quantity of any funds or economic resources made available directly or indirectly to, or for the benefit of, a designated person, or
    - (iii) the nature of any financial transactions entered into by a designated person;

<sup>(29)</sup> Section 1210 was amended by S.I. 2008/565; S.I. 2008/567; S.I. 2008/1950; S.I. 2011/99; S.I. 2012/1809; S.I. 2013/3115; S.I. 2017/516; and S.I. 2017/1164.

- (b) monitoring compliance with or detecting evasion of—
    - (i) any provision of Part 3,
    - (ii) regulation 69 (finance: reporting obligations), or
    - (iii) any condition of a Treasury licence;
  - (c) detecting or obtaining evidence of the commission of an offence under Part 3 or regulation 65 (finance: licensing offences) or 69 (finance: reporting obligations).
- (8) The Treasury may specify the way in which, and the period within which, information is to be provided.
- (9) If no such period is specified, the information which has been requested must be provided within a reasonable time.
- (10) A request may include a continuing obligation to keep the Treasury informed as circumstances change, or on such regular basis as the Treasury may specify.
- (11) Information requested under this regulation may relate to any period of time during which a person is, or was, a designated person.
- (12) Information requested by virtue of paragraph (1)(b), (2) or (7)(a)(iii) may relate to any period before a person became a designated person (as well as, or instead of, any subsequent period).
- (13) Expressions used in this regulation have the same meaning as they have in Part 3.

#### **Finance: production of documents**

- 72.—**(1) A request under regulation 71 may include a request to produce specified documents or documents of a specified description.
- (2) Where the Treasury request that documents be produced, the Treasury may—
- (a) take copies of or extracts from any document so produced,
  - (b) request any person producing a document to give an explanation of it, and
  - (c) where that person is a body corporate, partnership or unincorporated body other than a partnership, request any person who is—
    - (i) in the case of a partnership, a present or past partner or employee of the partnership, or
    - (ii) in any other case, a present or past officer or employee of the body concerned,to give such an explanation.
- (3) Where the Treasury request a designated person or a person acting under a Treasury licence to produce documents, that person must—
- (a) take reasonable steps to obtain the documents (if they are not already in the person’s possession or control);
  - (b) keep the documents under the person’s possession or control (except for the purpose of providing them to the Treasury or as the Treasury may otherwise permit).
- (4) In this regulation “designated person” has the same meaning as it has in Chapter 1 of Part 3 (Finance).

#### **Finance: information offences**

- 73.—**(1) A person commits an offence if that person—
- (a) without reasonable excuse, refuses or fails within the time and in the manner specified (or, if no time has been specified, within a reasonable time) to comply with any request under regulation 71 (finance: powers to request information);

- (b) knowingly or recklessly gives any information, or produces any document, which is false in a material particular in response to such a request;
- (c) with intent to evade any provision of regulation 71 (finance: powers to request information) or 72 (finance: production of documents), destroys, mutilates, defaces, conceals or removes any document;
- (d) otherwise intentionally obstructs the Treasury in the exercise of their powers under regulation 71 (finance: powers to request information) or 72 (finance: production of documents).

(2) Where a person is convicted of an offence under this regulation, the court may make an order requiring that person, within such period as may be specified in the order, to comply with the request.

### **Trade: application of information powers in CEMA**

**74.**—(1) Section 77A of CEMA(30) applies in relation to a person carrying on a relevant activity as it applies in relation to a person concerned in the importation or exportation of goods but as if—

- (a) in subsection (1), the reference to a person concerned in the importation or exportation of goods for which for that purpose an entry is required by regulation 5 of the Customs Controls on Importation of Goods Regulations 1991(31) or an entry or specification is required by or under CEMA were to a person carrying on a relevant activity;
- (b) any other reference to importation or exportation were to a relevant activity;
- (c) any reference to goods were to the goods, technology, services or funds to which the relevant activity relates.

(2) For the purposes of paragraph (1), a “relevant activity” means an activity—

- (a) which would, unless done under the authority of a trade licence, constitute a contravention of any prohibition in Chapters 2 to 5 of Part 5 (Trade), except any prohibition on imports or exports, or
- (b) which would constitute a contravention of a prohibition in regulation 49 (circumventing etc prohibitions).

### **General trade licences: records**

**75.**—(1) This regulation applies in relation to a person (“P”) who does any act authorised by a general licence issued under regulation 62 (trade licences) (“the licence”).

(2) P must keep a register or record containing such details as may be necessary to allow the following information to be identified in relation to each act done under the authority of the licence—

- (a) a description of the act;
- (b) a description of any goods, technology, services or funds to which the act relates;
- (c) the date of the act or the dates between which the act took place;
- (d) the quantity of any goods or funds to which the act relates;
- (e) P’s name and address;
- (f) the name and address of any consignee of goods to which the act relates or any recipient of technology, services or funds to which the act relates;
- (g) in so far as it is known to P, the name and address of the end-user of the goods, technology, services or funds to which the act relates;

(30) Section 77A was inserted by the Finance Act 1987 (c.16), section 10 and amended by S.I. 1992/3095.

(31) S.I. 1991/2724 as amended by S.I. 1992/3095, S.I. 1993/3014 and S.I. 2011/1043 and is prospectively revoked by S.I. 2018/1247.

- (h) if different from P, the name and address of the supplier of any goods to which the act relates;
  - (i) any further information required by the licence.
- (3) The register or record relating to an act must be kept until the end of the calendar year in which the register or record is created and for a further period of 4 years from the end of that calendar year.
- (4) P must notify the Secretary of State in writing of P's name and the address at which the register or record may be inspected, and must make a further such notification if those details change.
- (5) A notification under paragraph (4) must be given no later than 30 days after—
- (a) P first does any act authorised by the licence, or
  - (b) there is any change to the details previously notified.
- (6) A person who fails to comply with a requirement in paragraph (2), (3) or (4) commits an offence.

#### **General trade licences: inspection of records**

**76.**—(1) A person authorised by the Secretary of State or the Commissioners (an “official”) may at any reasonable hour enter premises notified under regulation 75(4) for the purposes of monitoring compliance with or detecting evasion of regulation 75(2) or (3).

(2) An official may require any person on the premises to produce any register or record required to be kept under regulation 75, or any document included in such a register or record, that is in the person's possession or control.

(3) An official may inspect and copy any such register, record or document.

(4) An official must, if requested to do so, produce documentary evidence that he or she is authorised to exercise a power conferred by this regulation.

(5) A person commits an offence if, without reasonable excuse, the person—

- (a) intentionally obstructs an official in the performance of any of the official's functions under this regulation, or
- (b) fails to produce a register, record or document when reasonably required to do so by an official under this regulation.

#### **Disclosure of information**

**77.**—(1) The Secretary of State, the Treasury or the Commissioners may, in accordance with this regulation, disclose—

- (a) any information obtained under or by virtue of Part 7 (Exceptions and licences), this Part or Part 10 (Maritime enforcement), or
- (b) any information held in connection with—
  - (i) anything done under or by virtue of Part 2 (Designation of persons), Part 3 (Finance), Part 5 (Trade) or Part 6 (Aircraft), or
  - (ii) any exception or licence under Part 7 or anything done in accordance with such an exception or under the authority of such a licence.

(2) Information referred to in paragraph (1) may be disclosed for, or in connection with, any of the following purposes—

- (a) the exercise of functions under these Regulations;
- (b) any purpose stated in regulation 4;
- (c) facilitating, monitoring or ensuring compliance with these Regulations;

- (d) taking any action with a view to instituting, or otherwise for the purposes of, any proceedings in the United Kingdom—
    - (i) for an offence under any provision of these Regulations,
    - (ii) for an offence under CEMA in connection with a prohibition in Chapter 2 or 4 of Part 5 on exports, or
    - (iii) in relation to a monetary penalty under section 146 of the Policing and Crime Act 2017 (breach of financial sanctions legislation);
  - (e) taking any action with a view to instituting, or otherwise for the purposes of, any proceedings in any of the Channel Islands, the Isle of Man, or any British overseas territory, for an offence—
    - (i) under a provision in any such jurisdiction that is similar to a provision of these Regulations, or
    - (ii) in connection with a prohibition in any such jurisdiction that is similar to a prohibition referred to in sub-paragraph (d)(ii);
  - (f) compliance with an international obligation<sup>(32)</sup>;
  - (g) facilitating the exercise by an authority outside the United Kingdom or by an international organisation of functions which correspond to functions under these Regulations.
- (3) Information referred to in paragraph (1) may be disclosed to the following persons—
- (a) a police officer;
  - (b) any person holding or acting in any office under or in the service of—
    - (i) the Crown in right of the Government of the United Kingdom,
    - (ii) the Crown in right of the Scottish Government, the Northern Ireland Executive or the Welsh Government,
    - (iii) the States of Jersey, Guernsey or Alderney or the Chief Pleas of Sark,
    - (iv) the Government of the Isle of Man, or
    - (v) the Government of any British overseas territory;
  - (c) any law officer of the Crown for Jersey, Guernsey or the Isle of Man;
  - (d) the Scottish Legal Aid Board;
  - (e) the Financial Conduct Authority, the Prudential Regulation Authority, the Bank of England, the Jersey Financial Services Commission, the Guernsey Financial Services Commission or the Isle of Man Financial Services Authority;
  - (f) any other regulatory body (whether or not in the United Kingdom);
  - (g) any organ of the United Nations;
  - (h) the Council of the European Union, the European Commission or the European External Action Service;
  - (i) the Government of any country;
  - (j) any other person where the Secretary of State, the Treasury or the Commissioners (as the case may be) considers that it is appropriate to disclose the information.
- (4) Information referred to in paragraph (1) may be disclosed to any person with the consent of a person who, in their own right, is entitled to the information.

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<sup>(32)</sup> Section 1(8) of the Act defines an “international obligation” as an obligation of the United Kingdom created or arising by or under any international agreement.

(5) In paragraph (4), “in their own right” means not merely in the capacity as a servant or agent of another person.

(6) In paragraph (1)(b)—

(a) the reference to information includes information obtained at a time when any provision of these Regulations is not in force, and

(b) the reference to a licence under Part 7 includes—

(i) a licence or authorisation which is treated as if it were a licence which had been issued under that Part, and

(ii) a licence which is deemed to have been issued under that Part.

### **Part 8: supplementary**

**78.**—(1) A disclosure of information under regulation 77 does not breach any restriction on such disclosure imposed by statute or otherwise.

(2) But nothing in that regulation authorises a disclosure that—

(a) contravenes the data protection legislation, or

(b) is prohibited by any of Parts 1 to 7 or Chapter 1 of Part 9 of the Investigatory Powers Act 2016<sup>(33)</sup>.

(3) Nothing in this Part is to be read as requiring a person who has acted or is acting as counsel or solicitor for any person to disclose any privileged information in their possession in that capacity.

(4) Regulation 77 does not limit the circumstances in which information may be disclosed apart from that regulation.

(5) Nothing in this Part limits any conditions which may be contained in a licence under Part 7.

(6) In this regulation—

“the data protection legislation” has the same meaning as in the Data Protection Act 2018 (see section 3 of that Act)<sup>(34)</sup>;

“privileged information” means information with respect to which a claim to legal professional privilege (in Scotland, to confidentiality of communications) could be maintained in legal proceedings.

## **PART 9**

### **Enforcement**

#### **Penalties for offences**

**79.**—(1) A person who commits an offence under any provision of Part 3 (Finance), regulation 53(1), (2) and (3) (aircraft: offences) or regulation 65 (finance: licensing offences), is liable—

(a) on summary conviction in England and Wales, to imprisonment for a term not exceeding 12 months or a fine (or both);

(b) on summary conviction in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both);

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<sup>(33)</sup> 2016 c.25. Parts 2 and 5 have been amended by the Policing and Crime Act 2017 (c.3), Schedule 9(3), paragraph 74 and Part 7 has been amended by the Data Protection Act 2018 (c. 12), Schedule 19(1), paragraph 202. Chapter 1 of Part 9 has been amended by S.I. 2017/859.

<sup>(34)</sup> 2018 c.12. There are amendments to this Act that are not relevant to these Regulations.

- (c) on summary conviction in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both);
  - (d) on conviction on indictment, to imprisonment for a term not exceeding 7 years or a fine (or both).
- (2) A person who commits an offence under any provision of Part 5 (Trade) is liable—
- (a) on summary conviction in England and Wales, to imprisonment for a term not exceeding 12 months or a fine (or both);
  - (b) on summary conviction in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both);
  - (c) on summary conviction in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both);
  - (d) on conviction on indictment, to imprisonment for a term not exceeding 10 years or a fine (or both).
- (3) A person who commits an offence under regulation 9(6) (confidentiality), 57(6) (exceptions relating to petroleum products: notification requirement), 66 (trade: licensing offences), 67 (aircraft: licensing offences), 75(6) or 76(5) (information offences in connection with trade licences) is liable—
- (a) on summary conviction in England and Wales, to imprisonment for a term not exceeding 12 months or a fine (or both);
  - (b) on summary conviction in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both);
  - (c) on summary conviction in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both);
  - (d) on conviction on indictment, to imprisonment for a term not exceeding 2 years or a fine (or both).
- (4) A person who commits an offence under regulation 53(4) (aircraft: disclosure of information offence), 69(6) (finance: reporting obligations) or 73 (information offences in connection with Part 3) is liable—
- (a) on summary conviction in England and Wales, to imprisonment for a term not exceeding 6 months or a fine (or both);
  - (b) on summary conviction in Scotland, to imprisonment for a term not exceeding 6 months or a fine not exceeding level 5 on the standard scale (or both);
  - (c) on summary conviction in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding level 5 on the standard scale (or both).
- (5) In relation to an offence committed before section 154(1) of the Criminal Justice Act 2003(35) comes into force the reference in each of paragraphs (1)(a), (2)(a) and (3)(a) to 12 months is to be read as a reference to 6 months.

### **Liability of officers of bodies corporate etc**

- 80.**—(1) Where an offence under these Regulations, committed by a body corporate—
- (a) is committed with the consent or connivance 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, or
  - (b) is attributable to any neglect on the part of any such person,

(35) 2003 c.44. Amendments have been made to section 154(1), but none are relevant to these Regulations.

that person as well as the body corporate is guilty of the offence and is liable to be proceeded against and punished accordingly.

(2) In paragraph (1), “director”, in relation to a body corporate whose affairs are managed by its members, means a member of the body corporate.

(3) Paragraph (1) also applies in relation to a body that is not a body corporate, with the substitution for the reference to a director of the body of a reference—

- (a) in the case of a partnership, to a partner;
- (b) in the case of an unincorporated body other than a partnership—
  - (i) where the body’s affairs are managed by its members, to a member of the body;
  - (ii) in any other case, to a member of the governing body.

(4) Section 171(4) of CEMA (which is a provision similar to this regulation) does not apply to any offence under these Regulations to which that provision would, in the absence of this paragraph, apply.

#### **Jurisdiction to try offences**

**81.**—(1) Where an offence under regulation 9(6) (confidentiality), Part 3 (Finance), Part 6 (Aircraft), regulation 65 (finance: licensing offences), 67 (aircraft: licensing offences), 69(6) (finance: reporting obligations) or 73 (information offences in connection with Part 3) is committed in the United Kingdom—

- (a) proceedings for the offence may be taken at any place in the United Kingdom, and
- (b) the offence may for all incidental purposes be treated as having been committed at any such place.

(2) Where an offence under these Regulations is committed outside the United Kingdom—

- (a) proceedings for the offence may be taken at any place in the United Kingdom, and
- (b) the offence may for all incidental purposes be treated as having been committed at any such place.

(3) In the application of paragraph (2) to Scotland, any such proceedings against a person may be taken—

- (a) in any sheriff court district in which the person is apprehended or is in custody, or
- (b) in such sheriff court district as the Lord Advocate may determine.

(4) In paragraph (3) “sheriff court district” is to be read in accordance with the Criminal Procedure (Scotland) Act 1995 (see section 307(1) of that Act)(36).

#### **Procedure for offences by unincorporated bodies**

**82.**—(1) Paragraphs (2) and (3) apply if it is alleged that an offence under these Regulations has been committed by an unincorporated body (as opposed to by a member of the body).

(2) Proceedings in England and Wales or Northern Ireland for such an offence must be brought against the body in its own name.

(3) For the purposes of proceedings, for such an offence brought against an unincorporated body—

- (a) rules of court relating to the service of documents have effect as if the body were a body corporate;
- (b) the following provisions apply as they apply in relation to a body corporate—

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(36) 1995 c.46.

- (i) section 33 of the Criminal Justice Act 1925(37) and Schedule 3 to the Magistrates' Courts Act 1980(38);
- (ii) section 18 of the Criminal Justice Act (Northern Ireland) 1945(39) and Article 166 of, and Schedule 4 to, the Magistrates' Courts (Northern Ireland) Order 1981(40).

(4) A fine imposed on an unincorporated body on its conviction of an offence under these Regulations is to be paid out of the funds of the body.

#### **Time limit for proceedings for summary offences**

**83.**—(1) Proceedings for an offence under these Regulations which is triable only summarily may be brought within the period of 12 months beginning with the date on which evidence sufficient in the opinion of the prosecutor to justify the proceedings comes to the prosecutor's knowledge.

(2) But such proceedings may not be brought by virtue of paragraph (1) more than 3 years after the commission of the offence.

(3) A certificate signed by the prosecutor as to the date on which the evidence in question came to the prosecutor's knowledge is conclusive evidence of the date on which it did so; and a certificate to that effect and purporting to be so signed is to be treated as being so signed unless the contrary is proved.

(4) In relation to proceedings in Scotland—

- (a) section 136(3) of the Criminal Procedure (Scotland) Act 1995 (date of commencement of summary proceedings) applies for the purposes of this regulation as it applies for the purposes of that section, and
- (b) references in this regulation to the prosecutor are to be treated as references to the Lord Advocate.

#### **Trade enforcement: application of CEMA**

**84.**—(1) Where the Commissioners investigate or propose to investigate any matter with a view to determining—

- (a) whether there are grounds for believing that a relevant offence has been committed, or
- (b) whether a person should be prosecuted for such an offence,

the matter is to be treated as an assigned matter.

(2) In paragraph (1), "assigned matter" has the meaning given by section 1(1) of CEMA(41).

(3) In this regulation, a "relevant offence" means an offence under—

- (a) Part 5 (Trade),
- (b) regulation 57(6) (exceptions relating to petroleum products: notification requirement);
- (c) regulation 66 (trade: licensing offences),
- (d) regulation 75(6) (general trade licences: records), or
- (e) regulation 76(5) (general trade licences: inspection of records).

(37) 1925 c.86. Amendments have been made to section 33 that are not relevant to these Regulations.

(38) 1980 c.43. Amendments have been made to Schedule 3 that are not relevant to these Regulations.

(39) 1945 c.15 (N.I.).

(40) S.I. 1981/1675 (N.I. 26).

(41) The definition of "assigned matter" in section 1(1) of CEMA was amended by the Commissioners for Revenue and Customs Act 2005 (c.11), Schedule 4, paragraph 22(a), the Scotland Act 2012 (c. 11), section 24(7), the Wales Act 2014 (c.29), section 7(1).

(4) Section 138 of CEMA(42) (arrest of persons) applies to a person who has committed, or whom there are reasonable grounds to suspect of having committed, a relevant offence as it applies to a person who has committed, or whom there are reasonable grounds to suspect of having committed, an offence for which the person is liable to be arrested under the customs and excise Acts(43), but as if—

- (a) any reference to an offence under, or for which a person is liable to be arrested under, the customs and excise Acts were to a relevant offence;
- (b) in subsection (2), the reference to any person so liable were to a person who has committed, or whom there are reasonable grounds to suspect of having committed, a relevant offence.

(5) The provisions of CEMA mentioned in paragraph (6) apply in relation to proceedings for a relevant offence as they apply in relation to proceedings for an offence under the customs and excise Acts, but as if—

- (a) any reference to the customs and excise Acts were to any of the provisions mentioned in paragraph (3)(a) to (e);
- (b) in section 145(6), the reference to an offence for which a person is liable to be arrested under the customs and excise Acts were to a relevant offence;
- (c) in section 151, the reference to any penalty imposed under the customs and excise Acts were to any penalty imposed under these Regulations in relation to a relevant offence;
- (d) in section 154(2)—
  - (i) the reference to proceedings relating to customs or excise were to proceedings under any of the provisions mentioned in paragraph (3)(a) to (e), and
  - (ii) the reference to the place from which any goods have been brought included a reference to the place to which goods have been exported, supplied or delivered or the place to or from which technology has been transferred.

(6) The provisions of CEMA are sections 145, 146, 147, 148(1), 150, 151, 152, 154 and 155(44) (legal proceedings).

#### **Trade offences in CEMA: modification of penalty**

**85.**—(1) Paragraph (2) applies where a person is guilty of an offence under section 50(2) of CEMA in connection with a prohibition mentioned in Chapter 3 or 4 of Part 5 (Trade) on imports.

(2) Where this paragraph applies, the reference to 7 years in section 50(4)(b) of CEMA(45) is to be read as a reference to 10 years.

(3) Paragraph (4) applies where a person is guilty of an offence under section 68(2) of CEMA in connection with a prohibition mentioned in Chapter 2 or 4 of Part 5 (Trade) on exports.

(4) Where this paragraph applies, the reference to 7 years in section 68(3)(b) of CEMA(46) is to be read as a reference to 10 years.

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(42) Section 138 of CEMA was amended by; the Police and Criminal Evidence Act 1984 (c. 60), section 114(1), Schedule 6, paragraph 37, and Part 1 of Schedule 7; the Finance Act 1988 (c. 39), section 11; the Serious Organised Crime and Police Act 2005 (c. 15), Part 4 of Schedule 7, paragraph 54; S.I. 1989/1341; and S.I. 2007/288.

(43) “The customs and excise Acts” is defined in section 1 of CEMA.

(44) Section 145 of CEMA was amended by the Police and Criminal Evidence Act 1984, section 114(1), the Commissioners for Revenue and Customs Act 2005, Schedule 4, paragraph 23(a), and S.I. 2014/834. Section 147 was amended by the Criminal Justice Act 1982 (c. 48), Schedule 14, paragraph 42, the Finance Act 1989, section 16(2), and the Criminal Justice Act 2003, Part 2 of Schedule 4, paragraph 50. Section 152 was amended by the Commissioners for Revenue and Customs Act 2005, Schedule 4, paragraph 26, and Schedule 5. Section 155 was amended by the Commissioners for Revenue and Customs Act 2005, Schedule 4, paragraph 27, and Schedule 5.

(45) The words “7 years” were inserted in section 50(4)(b) of CEMA by the Finance Act 1988, section 12.

(46) The words “7 years” were inserted in section 68(3)(b) of CEMA by the Finance Act 1988, section 12.

(5) Paragraph (6) applies where a person is guilty of an offence under section 170(2) of CEMA in connection with a prohibition mentioned in Chapters 2 to 4 of Part 5 (Trade) on exports or imports.

(6) Where this paragraph applies, the reference to 7 years in section 170(3)(b) of CEMA(47) is to be read as a reference to 10 years.

### **Application of Chapter 1 of Part 2 of the Serious Organised Crime and Police Act 2005**

**86.** Chapter 1 of Part 2 of the Serious Organised Crime and Police Act 2005 (investigatory powers)(48) applies to any offence under Part 3 (Finance) or regulation 65 (finance: licensing offences).

### **Monetary penalties**

**87.** Each provision in Part 5 (Trade) which contains a prohibition imposed for a purpose in section 3(1) or (2) of the Act is to be regarded as not being financial sanctions legislation for the purposes of Part 8 of the Policing and Crime Act 2017 (monetary penalties)(49).

## **PART 10**

### **Maritime enforcement**

#### **Exercise of maritime enforcement powers**

**88.**—(1) A maritime enforcement officer may, for a purpose mentioned in paragraph (2) or (3), exercise any of the maritime enforcement powers in relation to—

- (a) a British ship in foreign waters or international waters,
- (b) a ship without nationality in international waters, or
- (c) a foreign ship in international waters,

and a ship within sub-paragraph (a), (b) or (c) is referred to in this Part as “a relevant ship”.

(2) The maritime enforcement powers may be exercised for the purpose of enforcing any of the following—

- (a) a prohibition in any of regulations 29 to 32 (goods or technology prohibitions relating to export, supply, sale and transfer);
- (b) a prohibition in any of regulations 36 to 39 (goods or technology prohibitions relating to import, purchase and transport and relating to the transfer of military technology);
- (c) the prohibitions in regulation 41 (goods or technology prohibitions relating to bank notes or coinage);
- (d) the prohibitions in regulation 42 (goods prohibitions relating to gold, precious metals or diamonds);
- (e) the prohibitions in regulation 46 (luxury goods);
- (f) the prohibitions in regulation 47(1) and (2) (goods prohibitions relating to electricity production);

(47) The words “7 years” were inserted in section 170(3)(b) of CEMA by the Finance Act 1988, section 12.

(48) 2005 c.15. Chapter 1 of Part 2 has been amended by the Terrorism Act 2006 (c.11), section 33(3) and (4); the Northern Ireland (Miscellaneous Provisions) Act 2006 (c.33), sections 26(2) and 30(2) and Schedules 3 and 5; the Bribery Act 2010 (c.23), section 17(2) and Schedule 1; the Criminal Justice and Licensing (Scotland) Act 2010 (asp.13), section 203 and Schedule 7, paragraph 77; the Crime and Courts Act 2013 (c.22), section 17(4) and Schedule 8, paragraphs 157 and 159; the Criminal Finances Act 2017 (c.22), section 51(1); the Act, section 59(4) and Schedule 3, paragraph 4; and S.I. 2014/834.

(49) 2017 c.3; see section 143(4)(f) and (4A).

- (g) a prohibition imposed by a condition of a trade licence in relation to a prohibition mentioned in sub-paragraphs (a) to (f).
- (3) The maritime enforcement powers may also be exercised in relation to a relevant ship for the purpose of—
  - (a) investigating the suspected carriage of relevant goods on the ship, or
  - (b) preventing the continued carriage on the ship of goods suspected to be relevant goods.
- (4) In this Part, “the maritime enforcement powers” are the powers conferred by regulations 90 and 91.
- (5) This regulation is subject to regulation 92 (restrictions on exercise of maritime enforcement powers).

### **Maritime enforcement officers**

**89.**—(1) The following persons are “maritime enforcement officers” for the purposes of this Part—

- (a) a commissioned officer of any of Her Majesty’s ships;
- (b) a member of the Ministry of Defence Police (within the meaning of section 1 of the Ministry of Defence Police Act 1987**(50)**);
- (c) a constable—
  - (i) who is a member of a police force in England and Wales,
  - (ii) within the meaning of section 99 of the Police and Fire Reform (Scotland) Act 2012**(51)**, or
  - (iii) who is a member of the Police Service of Northern Ireland or the Police Service of Northern Ireland Reserve;
- (d) a special constable—
  - (i) appointed under section 27 of the Police Act 1996**(52)**,
  - (ii) appointed under section 9 of the Police and Fire Reform (Scotland) Act 2012, or
  - (iii) in Northern Ireland, appointed by virtue of provision incorporating section 79 of the Harbours, Docks, and Piers Clauses Act 1847**(53)**;
- (e) a constable who is a member of the British Transport Police Force;
- (f) a port constable, within the meaning of section 7 of the Marine Navigation Act 2013**(54)**, or a person appointed to act as a constable under provision made by virtue of section 16 of the Harbours Act 1964**(55)**;
- (g) a designated customs official within the meaning of Part 1 of the Borders, Citizenship and Immigration Act 2009 (see section 14(6) of that Act)**(56)**;

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**(50)** 1987 c.4. Section 1 was amended by; paragraph 41 of Schedule 7 to the Police Act 1996 (c.16); paragraph 16 of Schedule 4 to the Police (Northern Ireland) Act 1998 (c.32); section 78(2) of the Police (Northern Ireland) Act 2000 (c.32); section 79(3) of the Police Reform Act 2002 (c.30); and by S.I. 2013/602.

**(51)** 2012 asp.8.

**(52)** 1996 c.16. Section 27 was amended by paragraphs 22 and 26 of Schedule 16(1) to the Police Reform and Social Responsibility Act 2011 (c.13).

**(53)** 1847 c.27. Section 79 was amended by S.I. 2006/2167.

**(54)** 2013 c.23.

**(55)** 1964 c.40. Section 16 was amended by; section 29(2) of the Wales Act 2017 (c.4); S.I. 1999/672; and S.I. 1970/1681.

**(56)** 2009 c.11. Designated customs officials are designated, as either a general customs official or a customs revenue official, under sections 8 and 11 of this Act respectively.

(h) a designated NCA officer who is authorised by the Director General of the National Crime Agency (whether generally or specifically) to exercise the powers of a maritime enforcement officer under this Part.

(2) In this regulation, “a designated NCA officer” means a National Crime Agency officer who is either or both of the following—

- (a) an officer designated under section 10 of the Crime and Courts Act 2013<sup>(57)</sup> as having the powers and privileges of a constable;
- (b) an officer designated under that section as having the powers of a general customs official.

### **Power to stop, board, search etc**

**90.**—(1) This regulation applies if a maritime enforcement officer has reasonable grounds to suspect that a relevant ship is carrying prohibited goods or relevant goods.

(2) The officer may—

- (a) stop the ship;
- (b) board the ship;
- (c) for the purpose of exercising a power conferred by paragraph (3) or regulation 91, require the ship to be taken to, and remain in, a port or anchorage in the United Kingdom or any other country willing to receive it.

(3) Where the officer boards a ship by virtue of this regulation, the officer may—

- (a) stop any person found on the ship and search that person for—
  - (i) prohibited goods or relevant goods, or
  - (ii) any thing that might be used to cause physical injury or damage to property or to endanger the safety of any ship;
- (b) search the ship, or any thing found on the ship (including cargo) for prohibited goods or relevant goods.

(4) The officer may—

- (a) require a person found on a ship boarded by virtue of this regulation to provide information or produce documents;
- (b) inspect and copy such information or documents.

(5) The officer may exercise a power conferred by paragraph (3)(a)(i) or (b) only to the extent reasonably required for the purpose of discovering prohibited goods or relevant goods.

(6) The officer may exercise the power conferred by paragraph (3)(a)(ii) in relation to a person only where the officer has reasonable grounds to believe that the person might use a thing to cause physical injury or damage to property or to endanger the safety of any ship.

(7) The officer may use reasonable force, if necessary, in the exercise of any power conferred by this regulation.

### **Seizure power**

**91.**—(1) This regulation applies if a maritime enforcement officer is lawfully on a relevant ship (whether in exercise of the powers conferred by regulation 90 or otherwise).

(2) The officer may seize any of the following which are found on the ship, in any thing found on the ship, or on any person found on the ship—

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<sup>(57)</sup> 2013 c.22.

- (a) goods which the officer has reasonable grounds to suspect are prohibited goods or relevant goods, or
  - (b) things within regulation 90(3)(a)(ii).
- (3) The officer may use reasonable force, if necessary, in the exercise of any power conferred by this regulation.

### **Restrictions on exercise of maritime enforcement powers**

**92.**—(1) The authority of the Secretary of State is required before any maritime enforcement power is exercised in reliance on regulation 88 in relation to—

- (a) a British ship in foreign waters, or
- (b) a foreign ship in international waters.

(2) In relation to a British ship in foreign waters other than the sea and other waters within the seaward limits of the territorial sea adjacent to any relevant British possession, the Secretary of State may give authority under paragraph (1) only if the State in whose waters the power would be exercised consents to the exercise of the power.

(3) In relation to a foreign ship in international waters, the Secretary of State may give authority under paragraph (1) only if—

- (a) the home state has requested the assistance of the United Kingdom for a purpose mentioned in regulation 88(2) or (3),
- (b) the home state has authorised the United Kingdom to act for such a purpose, or
- (c) the United Nations Convention on the Law of the Sea 1982(**58**) or a UN Security Council Resolution otherwise permits the exercise of the power in relation to the ship.

### **Interpretation of Part 10**

**93.**—(1) Subject to paragraph (2), any expression used in this Part and in section 19 or 20 of the Act has the same meaning in this Part as it has in section 19 or (as the case may be) section 20 of the Act.

(2) For the purpose of interpreting any reference to “prohibited goods” or “relevant goods” in this Part, any reference in section 19 or 20 of the Act to a “relevant prohibition or requirement” is to be read as a reference to any prohibition specified in regulation 88(2)(a) to (g).

## **PART 11**

### **Supplementary and final provision**

#### **Directions under Part 6**

**94.**—(1) Paragraphs (3) to (5) apply in relation to a direction given under Part 6 (Aircraft).

(2) A direction under regulation 51(5) may be given to any airport operator or to airport operators generally.

(3) A person to whom a direction is given has a duty to comply with it.

(4) A direction may be of indefinite duration or a defined duration.

(5) A person who gives a direction may vary, revoke or suspend it at any time.

**Notices**

**95.**—(1) This regulation applies in relation to a notice required by regulation 64 (licences: general provisions) to be given to a person.

(2) The notice may be given to an individual—

- (a) by delivering it to the individual,
- (b) by sending it to the individual by post addressed to the individual at his or her usual or last-known place of residence or business, or
- (c) by leaving it for the individual at that place.

(3) The notice may be given to a person other than an individual—

- (a) by sending it by post to the proper officer of the body at its principal office, or
- (b) by addressing it to the proper officer of the body and leaving it at that office.

(4) The notice may be given to the person by other means, including by electronic means, with the person's consent.

(5) In this regulation, the reference in paragraph (3) to a "principal office"—

- (a) in relation to a registered company, is to be read as a reference to the company's registered office;
- (b) in relation to a body incorporated or constituted under the law of a country other than the United Kingdom, includes a reference to the body's principal office in the United Kingdom (if any).

(6) In this regulation—

"proper officer"—

- (a) in relation to a body other than a partnership, means the secretary or other executive officer charged with the conduct of its general affairs, and
- (b) in relation to a partnership, means a partner or a person who has the control or management of the partnership business;

"registered company" means a company registered under the enactments relating to companies for the time being in force in the United Kingdom.

**Article 20 of the Export Control Order 2008**

**96.** Article 20 of the Export Control Order 2008 (embargoed destinations) is not to be taken to prohibit anything prohibited by Part 5 (Trade).

**Trade: overlapping offences**

**97.** A person is not to be taken to commit an offence under the Export Control Order 2008 if the person would, in the absence of this regulation, commit an offence under both—

- (a) article 34, 35, 37 or 38 of that Order(**59**), and
- (b) any provision of Part 5 (Trade) or regulation 57(6) (exceptions relating to petroleum products: notification requirement), 66 (trade: licensing offences), 75(6) or 76(5) (information offences in connection with general trade licences).

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(59) Article 35 of the Order has been amended by the Export Control (Amendment) (No. 3) Order 2009 (S.I. 2009/2151). Articles 37 and 38 have been amended by the Export Control (Amendment) (No. 2) Order 2012 (S.I. 2012/910) and has also been amended by the Export Control (Amendment) Order 2017 (S.I. 2017/85).

### **Amendment to the Syria Council Regulation**

**98.**—(1) Council Regulation (EU) No 36/2012 of 18 January 2012, concerning restrictive measures in view of the situation in Syria and repealing Regulation (EU) No 442/2011(**60**) is amended as follows.

- (2) Omit Articles 1 to 11b.
- (3) Omit Articles 12 to 26a.
- (4) In Article 27(1)—
  - (a) for “measures” substitute “measure”;
  - (b) omit point (a);
  - (c) in point (c), for “points (a) or (b)” substitute “point (b)”.
- (5) In Article 27a, for “Articles 2a, 3, 3a, 4, 5, 6, 7a, 8, 9, 11, 11a, 11b, 11c, 12, 13, 14, 24, 25, 26 and 26a” substitute “Article 11c”.
- (6) In Article 28, for “prohibitions” substitute “prohibition”.
- (7) In Article 29(1)(a), omit the words “, such as accounts and amounts frozen in accordance with Article 14.”.
- (8) Omit Article 36.
- (9) Omit Annexes Ia, IIa, III, IV, V, Va, Vb, VI, VII, VIII, IX and X.

### **Other amendments and revocations**

- 99.**—(1) The Syria (European Union Financial Sanctions) Regulations 2012(**61**) are revoked.
- (2) The Export Control (Syria Sanctions) Order 2013(**62**) is amended as follows.
  - (3) Omit article 2.
  - (4) In article 3(1), omit all definitions except for the definitions of “the 1979 Act” and “the Syria Regulation”.
  - (5) Omit articles 4 to 12.
  - (6) Omit articles 13 to 16.
  - (7) In article 17—
    - (a) paragraphs (1) and (2) are omitted;
    - (b) in paragraph (3), for “articles 6(1)(b) to (c) or (3), 7(a)(ii) to (iv), 8, 8A(b), 9(b) or (c), 11(b) or (c), 12A, 13(b), 14, 15 or 16(2)” substitute “article 12A”;
    - (c) in paragraph (4), for the words from “in article 4 of this Order” to “or 12(1)(a)” substitute “Article 11c(1)”;
    - (d) in paragraph (5), for “Articles 6(a), 11a(1)(b) or 11c(1)” substitute “Article 11c(1)”.
  - (8) Omit article 18(2).
  - (9) Omit article 19.
  - (10) Omit Schedules 1 and 2.

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(60) As prospectively amended by [S.I. 2019/380](#).

(61) [S.I. 2012/129](#), as modified by the [Wales Act 2014 \(c.29\)](#), section 4(4)(a) and amended by [S.I. 2012/639](#), [S.I. 2012/2524](#), [S.I. 2013/472](#), [S.I. 2013/534](#), [S.I. 2013/877](#), [S.I. 2013/1876](#), [S.I. 2017/560](#), [S.I. 2017/754](#) and [S.I. 2018/682](#) and as prospectively amended by [S.I. 2018/1149](#).

(62) [S.I. 2013/2012](#), as amended by [S.I. 2013/3182](#), [S.I. 2014/1896](#), [S.I. 2015/97](#), [S.I. 2015/1546](#), [S.I. 2017/83](#) and [S.I. 2017/1311](#).

**Transitional provision: Treasury licences**

**100.**—(1) Paragraphs (2) to (4) apply to a licence or authorisation which—

- (a) was granted, or deemed to be granted, by the Treasury under regulation 10 of the 2012 Regulations,
- (b) was in effect immediately before exit day, and
- (c) authorises conduct which would (on and after exit day, and in the absence of paragraphs (2) to (4)) be prohibited under Part 3 (Finance),

and such a licence or authorisation is referred to in this regulation as “an existing financial sanctions licence”.

(2) An existing financial sanctions licence which authorises an act which would otherwise be prohibited has effect on and after exit day as if it had been issued by the Treasury under regulation 61(1) (Treasury licences).

(3) Any reference in an existing financial sanctions licence to the 2012 Regulations is to be treated on and after exit day as a reference to these Regulations.

(4) Any reference in an existing financial sanctions licence to a prohibition in—

- (a) the 2012 Regulations, or
- (b) the EU Syria Regulation,

is to be treated on and after exit day as a reference to the corresponding prohibition in Part 3.

(5) Paragraph (6) applies where—

- (a) an application for a licence or authorisation, or for the variation of a licence or authorisation, under the 2012 Regulations was made before exit day,
- (b) the application is for the authorisation of conduct which would (on and after exit day) be prohibited under Part 3, and
- (c) a decision to grant or refuse the application has not been made before that date.

(6) The application is to be treated on and after exit day as an application for a licence, or for the variation of a licence (as the case may be), under regulation 61(1) (Treasury licences).

(7) In this regulation, “the 2012 Regulations” means the Syria (European Union Financial Sanctions) Regulations 2012.

(8) In paragraphs (3) and (4), a reference to the 2012 Regulations includes a reference to the Syria (Asset-Freezing) Regulations 2011(63).

**Transitional provision: trade licences**

**101.**—(1) Paragraph (2) applies in relation to each licence or authorisation granted by the Secretary of State which—

- (a) was in effect immediately before exit day, and
- (b) authorises an act—
  - (i) which would otherwise be prohibited by any provision of the Export Control Order 2008 except article 20 of that Order (embargoed destinations) or which requires an authorisation under or pursuant to the Dual-Use Regulation, and
  - (ii) which would (on and after exit day, and in the absence of paragraph (2)) be prohibited by Part 5 (Trade),

and such a licence or authorisation is referred to in this regulation as an “existing trade licence”.

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(63) S.I. 2011/1244, as amended by S.I. 2011/2479 and revoked by the 2012 Regulations.

(2) A licence is deemed to have been issued by the Secretary of State on exit day under regulation 62 (trade licences)—

- (a) disapplying every provision of Part 5 (Trade) which would, in the absence of this paragraph, prohibit any act authorised by the existing trade licence, and
- (b) otherwise in the same terms as the existing trade licence.

(3) Paragraphs (4) to (6) apply to a licence or authorisation granted by the Secretary of State which—

- (a) was in effect immediately before exit day, and
- (b) authorises an act—
  - (i) which would otherwise be prohibited by the EU Syria Regulation, and
  - (ii) which would (on and after exit day, and in the absence of paragraphs (4) to (6)) be prohibited by Part 5 (Trade),

and such a licence or authorisation is referred to in this regulation as “an existing trade sanctions licence”.

(4) An existing trade sanctions licence has effect on and after exit day as if it were a licence which had been issued by the Secretary of State under regulation 62 (trade licences).

(5) Any reference in an existing trade sanctions licence to a provision of the Export Control Order 2008 is to be treated on and after exit day as a reference to the corresponding provision of these Regulations (if any).

(6) Any reference in an existing trade sanctions licence to a prohibition in the EU Syria Regulation is to be treated on and after exit day as a reference to the corresponding prohibition in Part 5 (Trade).

#### **Transitional provision: pending applications for trade licences**

**102.**—(1) Paragraph (2) applies where—

- (a) an application was made before exit day for a licence or authorisation under or pursuant to the Export Control Order 2008 or the Dual-Use Regulation,
- (b) the application is for authorisation of an act prohibited by Part 5 (Trade), and
- (c) a decision to grant or refuse the application has not been made before exit day.

(2) The application is to be treated on and after exit day as including an application for a licence under regulation 62 (trade licences).

(3) Paragraph (4) applies where—

- (a) an application was made before exit day for a licence or authorisation under the Export Control (Syria Sanctions) Order 2013 or the EU Syria Regulation,
- (b) the application is for authorisation of an act prohibited by Part 5 (Trade), and
- (c) a decision to grant or refuse the application has not been made before exit day.

(4) The application is to be treated on and after exit day as an application for a licence under regulation 62 (trade licences).

#### **Transitional Provisions: prior obligations**

**103.**—(1) Where—

- (a) a person was named in Annex II or IIa of the EU Syria Regulation immediately before exit day, and
- (b) the person is a designated person immediately before exit day,

any reference in a provision mentioned in paragraph (2) to the date on which a person became a designated person is a reference to the original listing date.

(2) The provisions referred to in paragraph (1) are—

- (a) regulation 55(5) (asset-freeze etc: exceptions from prohibitions), and
- (b) in Schedule 6 (Treasury licences: purposes)—
  - (i) paragraph 6(b)(i);
  - (ii) paragraph 15(a);
  - (iii) paragraph 16(3);
  - (iv) paragraph 16(5)(b).

(3) In this regulation—

“designated person” has the same meaning as it has in Chapter 1 of Part 3 (Finance);

“original listing date” means the earlier of—

- (a) the date on which the person was named in Annex II or Annex IIa of the EU Syria Regulation, and
- (b) if the person was also named in Annex II of Council Regulation (EU) No 442/2011 of 9 May 2011, concerning restrictive measures in view of the situation in Syria<sup>(64)</sup>, the date on which the person was named in that Annex.

3rd April 2019

*Alan Duncan*  
Minister of State  
Foreign and Commonwealth Office

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<sup>(64)</sup> OJ L 121, 10.5.2011, p.1.

## SCHEDULES

### SCHEDULE 1

Regulation 7(3)

#### Rules for interpretation of regulation 7(2)

##### **Application of Schedule**

1.—(1) The rules set out in the following paragraphs of this Schedule apply for the purpose of interpreting regulation 7(2).

(2) They also apply for the purpose of interpreting this Schedule.

##### **Joint interests**

2. If two or more persons each hold a share or right jointly, each of them is treated as holding that share or right.

##### **Joint arrangements**

3.—(1) If shares or rights held by a person and shares or rights held by another person are the subject of a joint arrangement between those persons, each of them is treated as holding the combined shares or rights of both of them.

(2) A “joint arrangement” is an arrangement between the holders of shares or rights that they will exercise all or substantially all the rights conferred by their respective shares or rights jointly in a way that is pre-determined by the arrangement.

(3) “Arrangement” has the meaning given by paragraph 12.

##### **Calculating shareholdings**

4.—(1) In relation to a person who has a share capital, a reference to holding “more than 50% of the shares” in that person is to holding shares comprised in the issued share capital of that person of a nominal value exceeding (in aggregate) 50% of that share capital.

(2) In relation to a person who does not have a share capital—

(a) a reference to holding shares in that person is to holding a right or rights to share in the capital or, as the case may be, profits of that person;

(b) a reference to holding “more than 50% of the shares” in that person is to holding a right or rights to share in more than 50% of the capital or, as the case may be, profits of that person.

##### **Voting rights**

5.—(1) A reference to the voting rights in a person is to the rights conferred on shareholders in respect of their shares (or, in the case of a person not having a share capital, on members) to vote at general meetings of the person on all or substantially all matters.

(2) In relation to a person that does not have general meetings at which matters are decided by the exercise of voting rights—

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

- (a) a reference to holding voting rights in the person is to be read as a reference to holding rights in relation to the person that are equivalent to those of a person entitled to exercise voting rights in a company;
- (b) a reference to holding “more than 50% of the voting rights” in the person is to be read as a reference to holding the right under the constitution of the person to block changes to the overall policy of the person or to the terms of its constitution.

6. In applying regulation 7(2) and this Schedule, the voting rights in a person are to be reduced by any rights held by the person itself.

#### **Rights to appoint or remove members of the board**

7. A reference to the right to appoint or remove a majority of the board of directors of a person is to the right to appoint or remove directors holding a majority of the voting rights at meetings of the board on all or substantially all matters.

8. A reference to a board of directors, in the case of a person who does not have such a board, is to be read as a reference to the equivalent management body of that person.

#### **Shares or rights held “indirectly”**

9.—(1) A person holds a share “indirectly” if the person has a majority stake in another person and that other person—

- (a) holds the share in question, or
- (b) is part of a chain of persons—
  - (i) each of whom (other than the last) has a majority stake in the person immediately below it in the chain, and
  - (ii) the last of whom holds the share.

(2) A person holds a right “indirectly” if the person has a majority stake in another person and that other person—

- (a) holds that right, or
- (b) is part of a chain of persons—
  - (i) each of whom (other than the last) has a majority stake in the person immediately below it in the chain, and
  - (ii) the last of whom holds that right.

(3) For these purposes, a person (“A”) has a “majority stake” in another person (“B”) if—

- (a) A holds a majority of the voting rights in B,
- (b) A is a member of B and has the right to appoint or remove a majority of the board of directors of B,
- (c) A is a member of B and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in B, or
- (d) A has the right to exercise, or actually exercises, dominant influence or control over B.

(4) In the application of this paragraph to the right to appoint or remove a majority of the board of directors, a person (“A”) is to be treated as having the right to appoint a director if—

- (a) any person’s appointment as director follows necessarily from that person’s appointment as director of A, or
- (b) the directorship is held by A itself.

### **Shares held by nominees**

**10.** A share held by a person as nominee for another is to be treated as held by the other (and not by the nominee).

### **Rights treated as held by person who controls their exercise**

**11.**—(1) Where a person controls a right, the right is to be treated as held by that person (and not by the person who in fact holds the right, unless that person also controls it).

(2) A person “controls” a right if, by virtue of any arrangement between that person and others, the right is exercisable only—

- (a) by that person,
- (b) in accordance with that person’s directions or instructions, or
- (c) with that person’s consent or concurrence.

**12.** “Arrangement” includes—

- (a) any scheme, agreement or understanding, whether or not it is legally enforceable, and
- (b) any convention, custom or practice of any kind.

### **Rights exercisable only in certain circumstances etc**

**13.**—(1) Rights that are exercisable only in certain circumstances are to be taken into account only—

- (a) when the circumstances have arisen, and for so long as they continue to obtain, or
- (b) when the circumstances are within the control of the person having the rights.

(2) But rights that are exercisable by an administrator or by creditors while a person is subject to relevant insolvency proceedings are not to be taken into account while the person is subject to those proceedings.

(3) “Relevant insolvency proceedings” means—

- (a) administration within the meaning of the Insolvency Act 1986<sup>(65)</sup>
- (b) administration within the meaning of the Insolvency (Northern Ireland) Order 1989<sup>(66)</sup>, or
- (c) proceedings under the insolvency law of another country during which a person’s assets and affairs are subject to the control or supervision of a third party or creditor.

(4) Rights that are normally exercisable but are temporarily incapable of exercise are to continue to be taken into account.

### **Rights attached to shares held by way of security**

**14.** Rights attached to shares held by way of security provided by a person are to be treated for the purposes of this Schedule as held by that person—

- (a) where apart from the right to exercise them for the purpose of preserving the value of the security, or of realising it, the rights are exercisable only in accordance with that person’s instructions, and
- (b) where the shares are held in connection with the granting of loans as part of normal business activities and apart from the right to exercise them for the purpose of preserving

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<sup>(65)</sup> 1986 c.45.

<sup>(66)</sup> S.I. 1989/2405 (N.I. 19).

the value of the security, or of realising it, the rights are exercisable only in that person's interests.

## SCHEDULE 2

Regulation 25(1)

### Definitions of goods subject to certain trade prohibitions

## PART 1

### General

#### Definitions

1.—(1) For the purposes of this Schedule—

- (a) a thing “falls within” a commodity code if it is, or would be, classified under that commodity code, as set out in the Goods Classification Table;
- (b) a thing “falls within” a chapter if it is, or would be, classified under that chapter, as set out in the Goods Classification Table;
- (c) where a commodity code or chapter is preceded by “ex”, the goods specified in this Schedule constitute only a part of the scope of the commodity code or chapter and must fall within both the description given to that code or chapter in this Schedule and the scope of the code or chapter in the Goods Classification Table.

(2) For the purposes of determining whether or not a thing is, or would be, “classified” in accordance with sub-paragraph (1), the rules of interpretation contained in the following have effect—

- (a) Part Two (Goods Classification Table Rules of Interpretation) of the Tariff of the United Kingdom;
- (b) notes to a section or chapter of the Goods Classification Table.

(3) For the purposes of this paragraph—

“commodity code” includes a code denoting a heading or sub-heading;

“the Goods Classification Table” means the table so named in Annex I in Part Three of the Tariff of the United Kingdom;

“the Tariff of the United Kingdom” means the document containing the legal classification and import rate for products being imported into the United Kingdom, entitled “The Tariff of the United Kingdom”, as revised or re-issued from time to time<sup>(67)</sup>.

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<sup>(67)</sup> The Tariff of the United Kingdom, Version 1.0 is available electronically from: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/785939/Tariff\\_Reference\\_Document\\_13\\_March\\_2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/785939/Tariff_Reference_Document_13_March_2019.pdf). A hard copy is available for inspection free of charge at the offices of HMRC at 100 Parliament Street, London, SW1A 2BQ.

## PART 2

### Goods subject to certain trade prohibitions

#### **Aviation fuel and aviation fuel additives**

2. For the purposes of regulation 25(1), “aviation fuel and aviation fuel additives” means any thing which falls within the following commodity codes—

- (a) 2710 12 70;
- (b) 2710 19 29;
- (c) 2710 19 21;
- (d) 2710 20 90;
- (e) 3811 21;
- (f) 3811 29;
- (g) 3811 90.

#### **Crude oil and petroleum products**

3. For the purposes of regulation 25(1), “crude oil” means any thing which falls within the commodity code 2709.

4. For the purposes of regulation 25(1), “petroleum products” means any thing which falls within the following commodity codes—

- (a) 2710;
- (b) 2712;
- (c) 2713;
- (d) 2714;
- (e) 2715 00 00.

#### **Goods relating to electricity production**

5. For the purposes of regulation 25(1), “goods relating to electricity production” means any thing which falls within the following commodity codes—

- (a) 8406 81;
- (b) 8411 82;
- (c) ex 8501, provided that it is an electric motor or generator of an output exceeding 3MW or 5,000kVA,

provided that the thing is to be used for the construction or installation in Syria of a new power plant for electricity production.

#### **Gold, precious metals or diamonds**

6. For the purposes of regulation 25(1), “gold, precious metals or diamonds” means any thing falling which falls within the following commodity codes—

- (a) 7102;
- (b) 7106;
- (c) 7018;

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- (d) 7109;
- (e) 7110;
- (f) 7111;
- (g) 7112.

### **Luxury goods**

7. For the purposes of regulation 25(1), “luxury goods” means—
- (a) pure-bred horses, meaning any thing which falls within commodity code 0101 21 00;
  - (b) caviar and caviar substitutes, meaning any thing which falls within the following commodity codes, provided that the sales price for caviar substitutes exceeds £15 per 100 grams—
    - (i) ex 1604 31 00;
    - (ii) ex 1604 32;
  - (c) truffles, meaning any thing which falls within commodity code 2003 90 10;
  - (d) wines (including sparkling wines), spirits and spirituous beverages, meaning any thing which falls within the following commodity codes, provided that the sales price exceeds £40 per litre—
    - (i) ex 2204 21 to 2204 29;
    - (ii) ex 2205;
    - (iii) ex 2208;
  - (e) cigars or cigarillos, meaning any thing which falls within commodity code ex 2402 10 00, provided that the sales price per item exceeds £10;
  - (f) perfumes and toilet waters, meaning anything which falls within the following commodity codes, provided that the sales price exceeds £60 per 50ml—
    - (i) ex 3303 00 10;
    - (ii) ex 3303 00 90;
  - (g) cosmetics, including beauty and make-up products, meaning anything which falls within the following commodity codes provided that the sales price per item exceeds £60—
    - (i) ex 3304;
    - (ii) ex 3307;
    - (iii) ex 3401;
  - (h) leather, saddlery, travel goods, handbags or similar articles, meaning anything which falls within the following commodity codes provided that the sales price per item exceeds £175—
    - (i) ex 4201;
    - (ii) ex 4202;
    - (iii) ex 4205 00 90;
  - (i) garments, clothing accessories or shoes, meaning anything which falls within the following commodity codes or chapters, provided that the sales price per item exceeds exceed a sales price of £525—
    - (i) ex 4203;
    - (ii) ex 4303;
    - (iii) ex chapter 61;

- (iv) ex chapter 62;
- (v) ex 6401 to ex 6405;
- (vi) ex 6504 00 00;
- (vii) ex 6505;
- (viii) ex 6506 99;
- (ix) ex 6601 91 00;
- (x) ex 6601 99;
- (xi) ex 6602;
- (j) tableware of porcelain, china, stoneware, earthenware or of fine pottery, meaning anything which falls within the following commodity codes, provided that the sales price per item exceeds £450—
  - (i) ex 6911 10;
  - (ii) ex 6912 00 23;
  - (iii) ex 6912 00 25;
- (k) pearls, precious and semi-precious stones, articles of pearls, jewellery, gold or silversmith articles, meaning anything which falls within the following commodity codes—
  - (i) 7101 to 7103;
  - (ii) 7104 20 00;
  - (iii) 7104 90 00;
  - (iv) 7105 to 7111;
  - (v) 7113 to 7116;
- (l) coins or bank notes, meaning anything which falls within the following commodity codes, provided that such items are not legal tender—
  - (i) ex 4907;
  - (ii) 7118 10;
  - (iii) ex 7118 90;
- (m) any item of cutlery which falls within the following commodity codes, provided such items are comprised of precious metal, or plated or clad with precious metal—
  - (i) ex 8211;
  - (ii) ex 8214;
  - (iii) ex 8215;
  - (iv) ex 9307;
- (n) lead crystal glassware, meaning anything which falls within the following commodity codes, provided that the sales price per item exceeds £175—
  - (i) ex 7009 91;
  - (ii) ex 7009 92 00;
  - (iii) ex 7010;
  - (iv) ex 7013 22;
  - (v) ex 7013 33;
  - (vi) ex 7013 41;
  - (vii) ex 7013 91;

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- (viii) ex 7018 10;
  - (ix) ex 7018 90;
  - (x) ex 7020 00 80;
  - (xi) ex 9405 10 50;
  - (xii) ex 9405 20 50;
  - (xiii) ex 9405 50;
  - (xiv) ex 9405 91;
- (o) luxury vehicles and their accessories, meaning anything which falls within the following commodity codes, provided that, in the case of a new vehicle, the sales price of the vehicle exceeds £22,000, in the case of a used vehicle, the sales price exceeds £13,000 and in the case of a vehicle-accessory, the sales price of the vehicle to which the vehicle-accessory relates exceeds either £22,000 (new vehicles) or £13,000 (used vehicles)—
- (i) ex 8603;
  - (ii) ex 8605 00 00;
  - (iii) ex 8702 and ex 8703;
  - (iv) ex 8711 and ex 8712;
  - (v) ex 8716 10;
  - (vi) ex 8716 40 00;
  - (vii) ex 8716 80 00;
  - (viii) ex 8716 90;
  - (ix) ex 8801 00;
  - (x) ex 8802 11 00 and ex 8802 12 00;
  - (xi) ex 8802 20 00 to ex 8802 40 00;
  - (xii) ex 8805 10;
  - (xiii) ex 8901 10;
  - (xiv) ex 8903;
- (p) clocks or wristwatches and their parts, meaning anything which falls within the following commodity codes, provided that in the case of a clock or wristwatch the sales price per item exceeds £450 or, in the case of a part for any such item, the clock or wristwatch to which the part relates exceeds a sales price of £450—
- (i) ex 9101 to ex 9105;
  - (ii) ex 9108 to ex 9114;
- (q) any item for skiing, golf or water sports, meaning anything which falls within the following commodity codes, provided that the sales price per item exceeds £450—
- (i) ex 4015 19 00 and ex 4015 90 00;
  - (ii) ex 6112 20 00 to ex 6114;
  - (iii) ex 6210 20 to ex 6211 20;
  - (iv) ex 6211 32 90;
  - (v) ex 6211 33 90;
  - (vi) ex 6211 39;
  - (vii) ex 6211 42 90;

- (viii) ex 6211 43 90;
- (ix) ex 6211 49 00;
- (x) ex 6402 12;
- (xi) ex 6403 12 00;
- (xii) ex 6404 11 00;
- (xiii) ex 6404 19 90;
- (xiv) ex 9004 90;
- (xv) ex 9020;
- (xvi) ex 9506 11 to ex 9506 19;
- (xvii) ex 9506 21 00;
- (xviii) ex 9506 29 00;
- (xix) ex 9506 31 00 to ex 9506 39;
- (xx) ex 9507;
- (r) any item for billiards, other games operated by coins, bank notes, bank cards, tokens or by any other means of payment, meaning anything which falls within the following commodity codes or chapter, provided that the sales price exceeds £450 per item—
  - (i) ex 9504 20 to ex 9504 40;
  - (ii) ex 9504 90 80;
- (s) works of art, collectors' pieces and antiques, meaning anything which falls within chapter 97.

### SCHEDULE 3

Regulation 25(1)

#### Goods and technology relating to chemical and biological weapons

### PART 1

#### Certain dual-use goods and dual-use technology

##### **Dual-use goods**

1.—(1) Any thing which is specified in or by the following Dual-Use Codes—

- (a) 1A004;
- (b) 1C350;
- (c) 1C351;
- (d) 1C353;
- (e) 1C354;
- (f) 1C450;
- (g) 2B350;
- (h) 2B351;
- (i) 2B352;

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- (j) 9A012;
- (k) 9A350.

### **Software**

2. Any software which is specified in or by the following Dual-Use Codes—
  - (a) 1D003;
  - (b) 2D351;
  - (c) 9D001, provided that it is specially designed or modified for the development of any goods or technology specified in or by Dual-Use Code 9A012 (paragraph 1(j));
  - (d) 9D002, provided that it is specially designed or modified for the production of any thing specified in or by Dual-Use Code 9A012 (paragraph 1(j)).

### **Technology**

- 3.—(1) Any technology which is specified in or by the following Dual-Use Codes—
  - (a) 1E001, provided that it is for the development or production of any thing specified in or by any of the following Dual-Use Codes—
    - (i) 1A004 (paragraph 1(a));
    - (ii) 1C350 to 1C354 (paragraph 1(b) to (e));
    - (iii) 1C450 (paragraph 1(f));
  - (b) 2E001, provided that it is for the development of any thing specified in or by any of the following Dual-Use Codes—
    - (i) 2B350 (paragraph 1(g));
    - (ii) 2B351 (paragraph 1(h));
    - (iii) 2B352 (paragraph 1(i));
    - (iv) 2D351 (paragraph 2(a));
  - (c) 2E002, provided that it is for the production of any thing specified in or by any of the following Dual-Use Codes—
    - (i) 2B350 (paragraph 1(g));
    - (ii) 2B351 (paragraph 1(h));
    - (iii) 2B352 (paragraph 1(i));
  - (d) 2E301;
  - (e) 9E001, provided that it is for the development of any thing specified in or by either of the following Dual-Use Codes—
    - (i) 9A012 (paragraph 1(j));
    - (ii) 9A350 (paragraph 1(k));
  - (f) 9E002, provided that it is for the production of any thing specified in or by Dual-Use Code 9A350;
  - (g) 9E101(b), provided that it is for the production of UAVs with a range exceeding 300km specified in or by Dual-Use Code 9A012;
  - (h) 9E102, provided that it is for the production of UAVs with a range exceeding 300km specified in or by Dual-Use Code 9A012.
- (2) For the purposes of sub-paragraph (2), “UAV” means unmanned aerial vehicle systems.

## PART 2

### Weapons-related chemicals and technology

#### Chemicals

4. Any of the following chemicals at 95% concentration or greater—
  - (a) Aluminium chloride (CAS Code 7446-70-0);
  - (b) Arsenic (CAS Code 7440-38-2);
  - (c) Arsenic trioxide (CAS Code 1327-53-3);
  - (d) Bis(2-chloroethyl)ethylamine hydrochloride (CAS Code 3590-07-6);
  - (e) Bis(2-chloroethyl)methylamine hydrochloride (CAS Code 55-86-7);
  - (f) Ethylene dichloride (CAS Code 107-06-2);
  - (g) Picric acid (CAS Code 88-89-1);
  - (h) Nitromethane (CAS Code 75-52-5);
  - (i) Tris(2-chloroethyl)amine hydrochloride (CAS Code 817-09-4).

#### Software and technology

5. Any technology or software required for the development, production or use of any of the chemicals listed in paragraph 4.

## PART 3

### Materials, other chemicals and related-technology

#### Chemicals

6. Any of the following chemicals at 95% concentration or greater—
  - (a) Benzil (CAS Code 134-81-6);
  - (b) Butyrylcholinesterase;
  - (c) 2-bromochloroethane (CAS Code 107-04-0);
  - (d) Dichloromethane (CAS Code 75-09-3);
  - (e) Diethylamine (CAS Code 109-89-7);
  - (f) Diethylenetriamine (CAS Code 111-40-0);
  - (g) Diethyl ether (CAS Code 60-29-7);
  - (h) Dimethylaniline (CAS Code 121-69-7);
  - (i) Dimethyl ether (CAS Code 115-10-6);
  - (j) Dimethylaminoethanol (CAS Code 108-01-0);
  - (k) Ethyl bromide (CAS Code 74-96-4);
  - (l) Ethyl chloride (CAS Code 75-00-3);
  - (m) Ethylamine (CAS Code 75-04-7);
  - (n) Hexamine (CAS Code 100-97-0);
  - (o) Isocyanatomethane (CAS Code 624-83-9);

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- (p) Isopropanol (CAS Code 67-63-0);
  - (q) Isopropyl bromide (CAS Code 75-26-3);
  - (r) Isopropyl ether (CAS Code 108-20-3);
  - (s) 2-methoxyethanol (CAS Code 109-86-4);
  - (t) Methylamine (CAS Code 74-89-5);
  - (u) Methyl bromide (CAS Code 74-83-9);
  - (v) Monoisopropylamine (CAS Code 75-31-0);
  - (w) Obidoxime chloride (CAS Code 114-90-9);
  - (x) Potassium bromide (CAS Code 7758-02-3);
  - (y) Pyridine (CAS Code 110-86-1);
  - (z) Pyridostigmine bromide (CAS Code 101-26-8);
  - (aa) Quinaldine (CAS Code 91-63-4);
  - (bb) Sodium bromide (CAS Code 7647-15-6);
  - (cc) Sodium metal (CAS Code 7440-23-5);
  - (dd) Tributylamine (CAS Code 102-82-9);
  - (ee) Tributylphosphite (CAS Code 102-85-2);
  - (ff) Triethylamine (CAS Code 121-44-8);
  - (gg) Trimethylamine (CAS Code 75-50-3).
7. Any of the following chemicals at 90% concentration or greater—
- (a) Acetone (CAS Code 67-64-1);
  - (b) Acetylene (CAS Code 74-86-2);
  - (c) Ammonia (CAS Code 7664-41-7);
  - (d) Antimony (CAS Code 7440-36-0);
  - (e) Benzaldehyde (CAS Code 100-52-7);
  - (f) Benzoin (CAS Code 119-53-9);
  - (g) 1-Butanol (CAS Code 71-36-3);
  - (h) 2-Butanol (CAS Code 78-92-2);
  - (i) Iso-Butanol (CAS Code 78-83-1);
  - (j) Tert-Butanol (CAS Code 75-65-0);
  - (k) Calcium carbide (CAS Code 75-20-7);
  - (l) Carbon monoxide (CAS Code 630-08-0);
  - (m) Chlorine (CAS Code 7782-50-5);
  - (n) Cyclohexanol (CAS Code 108-93-0);
  - (o) Dicyclohexylamine (CAS Code 101-83-7);
  - (p) Ethanol (CAS Code 64-17-5);
  - (q) Ethylene (CAS Code 74-85-1);
  - (r) Ethylene oxide (CAS Code 75-21-8);
  - (s) Fluoroapatite (CAS Code 1306-05-4);
  - (t) Hydrogen chloride (CAS Code 7647-01-0);
  - (u) Hydrogen sulfide (CAS Code 7783-06-4);

- (v) Mandelic acid (CAS Code 90-64-2);
- (w) Methanol (CAS Code 67-56-1);
- (x) Methyl chloride (CAS Code 74-87-3);
- (y) Methyl iodide (CAS Code 74-88-4);
- (z) Methyl mercaptan (CAS Code 74-93-1);
- (aa) Monoethyleneglycol (CAS Code 107-21-1);
- (bb) Oxalyl chloride (CAS Code 79-37-8);
- (cc) Potassium sulphide (CAS Code 1312-73-8);
- (dd) Potassium thiocyanate (CAS Code 333-20-0);
- (ee) Sodium hypochlorite (CAS Code 7681-52-9);
- (ff) Sulphur (CAS Code 7704-34-9);
- (gg) Sulphur dioxide (CAS Code 7446-09-5);
- (hh) Sulphur trioxide (CAS Code 7446-11-9);
- (ii) Thiophosphoryl chloride (CAS Code 3982-91-0);
- (jj) Tri-isobutyl phosphite (CAS Code 1606-96-8);
- (kk) White/yellow phosphorus (CAS Code 12185-10-3).

## Materials

8. Floor-mounted fume hoods (walk-in-style) with a minimum nominal width of 2.5 metres.
9. Full face-mask air-purifying and air-supplying respirators, other than any thing which is specified in or by any of the following Dual-Use Codes—
  - (a) 1A004;
  - (b) 2B352(f)(1).
10. Class II biological safety cabinets or isolators with similar performance standards.
11. Batch centrifuges with a rotor capacity of 4 litres or greater, usable with biological materials.
- 12.—(1) Fermenters capable of cultivation of pathogenic micro-organisms or viruses or for toxic production, without the propagation of aerosols, having a capacity of 5 litres or more but less than 20 litres.
  - (2) For the purpose of sub-paragraph (1)—
    - “fermenters” include bioreactors, chemostats and continuous-flow systems;
    - “micro-organisms” has the same meaning that it has in the Dual-Use Regulation.
- 13.—(1) Conventional or turbulent air-flow clean-air rooms and self-contained fan-HEPA or ULPA filter units that may be used for containment facilities at P3 or P4 (BSL 3, BSL 4, L3, L4) containment levels.
  - (2) For the purpose of sub-paragraph (1), “P3 or P4 (BL3, BL4, L3, L4) containment levels” are the levels specified in the World Health Organisation Laboratory Biosafety manual(68).
- 14.—(1) Any of the following chemical manufacturing facilities, equipment and components, other than any thing which is specified in or by Dual-Use Code 2B350—

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(68) Third edition, Geneva 2004.

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- (a) reaction vessels or reactors, with or without agitators, with total internal (geometric) volume greater than  $0.1\text{m}^3$  (100 litres) and less than  $20\text{m}^3$  (20,000 litres), provided that all surfaces that come in direct contact with the fluid being processed or contained is made from the relevant composition;
- (b) agitators for use in reaction vessels or reactors specified in paragraph (a), provided that all surfaces that come in direct contact with the fluid being processed or contained is made from the relevant composition;
- (c) storage tanks, containers or receivers with a total internal (geometric) volume greater than  $0.1\text{m}^3$  (100 litres) where all surfaces that come in direct contact with the chemical being processed or contained is made from the relevant composition;
- (d) heat exchangers or condensers with a heat transfer surface area greater than  $0.05\text{m}^2$ , and less than  $30\text{m}^2$  and tubes, plates, coils or blocks (cores) designed for such heat exchangers or condensers, provided that all surfaces that come in direct contact with the fluid being processed is made from the relevant composition;
- (e) distillation or absorption columns of internal diameter greater than 0.1 metre, provided that all surfaces that come in direct contact with the fluid being processed is made from the relevant composition;
- (f) liquid distributors, vapour distributors or liquid collectors designed for distillation or absorption columns mentioned in sub-paragraph (e);
- (g) valves with a nominal size greater than 10mm and casings (valve bodies) designed for such valves, provided that all surfaces that come in direct contact with the fluid being processed or contained is made from the relevant composition;
- (h) multiple-seal and seal-less pumps, with manufacturer's specified maximum flow-rate greater than  $0.6\text{m}^3$  per hour, in which all surfaces that come in direct contact with the chemical being processed is made from any of the following materials—
  - (i) ceramics;
  - (ii) ferrosilicon;
  - (iii) stainless steel with either—
    - (aa) more than or equal to 10.5% chromium and less than or equal to 1.2% carbon, or
    - (bb) 20% nickel and 19% chromium or more by weight;
- (i) casings (pump bodies), preformed casing liners, impellers, rotors or jet pump nozzles designed for pumps mentioned in paragraph (h)(i), (ii) and (iii)(bb);
- (j) vacuum pumps with a manufacturer's specified maximum flow-rate greater than  $1\text{m}^3$  per hour (under standard temperature (0 degree Celsius) and pressure (101.3 kPa) conditions), and casings (pump bodies) and preformed casing-liners, impellers, rotors and jet pump nozzles designed for such pumps, in which all surfaces that come into direct contact with the chemical being processed is made from any of the following materials—
  - (i) alloys with more than 25% nickel and 20% chromium by weight;
  - (ii) ceramics;
  - (iii) ferrosilicon;
  - (iv) fluoropolymers (polymeric or elastomeric materials with more than 35% fluorine by weight);
  - (v) glass (including vitrified or enamelled coatings or glass lining);
  - (vi) graphite or carbon graphite;

- (vii) nickel or alloys with more than 40% nickel by weight;
  - (viii) stainless steel with 20% nickel and 19% chromium or more by weight;
  - (ix) tantalum or tantalum alloys;
  - (x) titanium or titanium alloys;
  - (xi) zirconium or zirconium alloys;
  - (xii) niobium (columbium) or niobium alloys.
- (2) For the purpose of sub-paragraph (1)—
- “alloys”, when not accompanied by a specific elemental concentration, is understood as identifying those alloys where the identified metal is present in a higher percentage by weight than any other element;
- “carbon graphite” means a composition consisting of amorphous carbon and graphite, in which the graphite content is 8% or more by weight;
- “ferrosilicon” means silicon iron alloys with 8% silicon or more by weight;
- “nominal size” means the smaller of the inlet and outlet diameters;
- “the relevant composition” means stainless steel with either—
- (i) more than or equal to 10.5% chromium and less than or equal to 1.2% carbon, or
  - (ii) 20% nickel and 19% chromium or more by weight;
- (3) For the purposes of sub-paragraph (1), the materials used for diaphragms, gaskets, seals and other implementation of sealing functions—
- (a) in the case of paragraph (d), do not determine the control status of the heat exchanger,
  - (b) in the case of paragraph (g), do not determine the control status of the valve, and
  - (c) in the case of paragraph (j), do not determine the control status of the pump.

**15.**—(1) Subject to sub-paragraph (2), laboratory equipment for the analysis or detection of chemical substances, including any part or accessory for such equipment.

(2) Sub-paragraph (1) does not apply to any equipment specially designed for medical use or any part or accessory for such equipment.

(3) In this paragraph, the “analysis” of chemical substances can be using both destructive and non-destructive means.

### **Software and technology**

**16.** Any technology or software which is required to develop, produce or use any item mentioned in this Part.

## **PART 4**

### **Rules for interpretation**

#### **Principal element**

**17.**—(1) Any item (“A”) not listed in any of paragraphs 2 to 12 is included in this Schedule if—

- (a) an item listed in any of paragraphs 2 to 12 is a principal element of A, and
- (b) that principal element can be removed and used separately.

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(2) Whether an item is a principal element of any other item shall be determined having regard to quantity, value, technological know-how and any other relevant factors.

### **Definition of Dual-Use Codes**

**18.** For the purposes of this Schedule—

- (a) a thing is specified in or by a Dual-Use Code if it would be specified in or by that code in accordance with the Dual-Use Regulation;
- (b) a “Dual Use Code” means an alphanumeric code as it used in Annex I of the Dual-Use Regulation.

### **Interpretation**

**19.—**(1) In this Schedule, a reference to any item includes that item whether it is new or used.

(2) The references in this Schedule to a “CAS Code” followed by a numerical sequence are references to CAS Registry Numbers assigned to chemicals by the Chemical Abstracts Service, a division of the American Chemical Society.

(3) For the purposes of this Schedule, the following terms have the meaning given to them in the Dual-Use Regulation—

- “development”;
- “production”;
- “software”;
- “technology”;
- “use”.

## SCHEDULE 4

Regulation 25(1)

Interception and monitoring goods and interception and monitoring technology

### **Interception and monitoring equipment**

**1.** Any goods which can perform any of the following functions (whether individually or as part of a system)—

- (a) deep packet inspection;
- (b) network interception, including associated systems management and data retention functions;
- (c) radio frequency monitoring, including associated processing or examination;
- (d) network and satellite jamming;
- (e) remote infection;
- (f) speaker recognition, including associated processing functions;
- (g) IMSI, MSISDN, IMEI and TMSI interception and monitoring;
- (h) tactical SMS, GSM, GPS, GPRS, UMTS, CDMA, and PSTN interception and monitoring;
- (i) DHCP, SMTP and GTP information interception and monitoring;
- (j) pattern recognition and pattern profiling;
- (k) remote forensics;

- (l) semantic processing;
- (m) WEP and WPA code breaking;
- (n) interception of VoIP (including proprietary and standard protocols).

2. Any software which can perform any of the functions described in paragraph 1(a) to (n) (whether individually or as part of a system).

**Other software and other technology**

3. Any software or other technology which is specially designed to develop, produce or use any goods or software described in paragraph 1 or 2.

**Interpretation**

4. For the purposes of this Schedule, the following terms have the meaning given to them in the Dual-Use Regulation—

- “development”;
- “production”;
- “software”;
- “technology”;
- “use”.

**Acronyms and abbreviations used in this Schedule**

5. The acronyms and abbreviations used in this Schedule have the following meaning—

| <i>ABBREVIATION<br/>ACRONYM</i> | <i>MEANING</i>   | <i>ADDITIONAL<br/>INFORMATION</i>  |
|---------------------------------|--|--|
| IMSI                            | International Mobile Subscriber Identity                     | This is a unique identification code for each mobile telephony device, integrated in the SIM card and which allows identification of that SIM, via GSM and UMTS networks.  |
| MSISDN                          | Mobile Subscriber Integrated Services Digital Network Number | This is a number that uniquely identifies a subscription in a GSM or a UMTS mobile network. It is the telephone number to the SIM card in a mobile phone and therefore identifies a mobile subscriber as well as the IMSI. |
| IMEI                            | International Mobile Equipment Identity                      | This is a number, usually unique, to identify GSM, WCDMA and IDEN mobile phones as well as some satellite phones. It is usually found printed inside the battery compartment of the phone.                                 |

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| <i>ABBREVIATION<br/>ACRONYM</i> | <i>/</i> | <i>MEANING</i>                             | <i>ADDITIONAL<br/>INFORMATION</i> |
|---------------------------------|----------|--|-----------------------------------|
| TMSI                            |          | Temporary Mobile Subscriber Identity       |                                   |
| SMS                             |          | Short Message System                       |                                   |
| GSM                             |          | Global System for Mobile Communications    |                                   |
| GPS                             |          | Global Positioning System                  |                                   |
| GPRS                            |          | General Package Radio Service              |                                   |
| UMTS                            |          | Universal Mobile Telecommunications System |                                   |
| CDMA                            |          | Code Division Multiple Access              |                                   |
| PSTN                            |          | Public Switch Telephone Networks           |                                   |
| DHCP                            |          | Dynamic Host Configuration Protocol        |                                   |
| SMTP                            |          | Simple Mail Transfer Protocol              |                                   |
| GTP                             |          | GPRS Tunnelling Protocol                   |                                   |
| WEP                             |          | Wired Equivalent Privacy                   |                                   |
| WPA                             |          | WiFi Protected Access                      |                                   |
| VoIP                            |          | Voice over Internet Protocol               |                                   |

SCHEDULE 5

Regulation 25(1)

Internal repression goods and internal repression technology

**Firearms and related goods**

1. Firearms, ammunition and related accessories, as follows—
  - (a) firearms;
  - (b) ammunition specially designed for firearms;
  - (c) weapon-sights.
2. Simulators for training persons to use firearms.
3. Bombs and grenades.

**Vehicles**

- 4.—(1) Subject to sub-paragraph (2) and (3), the following types of vehicles—
  - (a) vehicles equipped with a water cannon, specially designed or modified for the purpose of riot control;
  - (b) vehicles specially designed or modified to be electrified to repel boarders;

- (c) vehicles specially designed or modified to remove barricades, including construction equipment with ballistic protection;
  - (d) vehicles specially designed for the transport or transfer of prisoners or detainees;
  - (e) vehicles specially designed to deploy mobile barriers;
- (2) Components for the vehicles specified in sub-paragraphs (1)(a) to (e) that have been designed for the purposes of riot control.
- (3) Vehicles that might otherwise fall within sub-paragraph (1)(a) to (e) are not internal repression goods if they are specially designed for the purposes of fire-fighting.
- (4) For the purposes of this paragraph, “vehicle” includes a trailer.

### **Explosive substances and related goods**

**5.**—(1) Equipment and devices specially designed to initiate explosions by electrical or non-electrical means, including—

- (a) firing sets;
- (b) detonators;
- (c) igniters;
- (d) boosters;
- (e) detonating cord.

(2) Components that have been specially designed for any thing mentioned in sub-paragraph (1).

(3) Sub-paragraphs (1) and (2) do not apply to any thing that has been specially designed for a specific commercial use.

(4) For the purpose of sub-paragraph (3), a “specific commercial use” means the actuation or operation by explosive means of other equipment or devices the function of which is not the creation of explosions, including—

- (a) car air-bag inflaters;
- (b) electric-surge arresters;
- (c) fire sprinkler actuators.

**6.** Linear cutting explosive charges.

**7.** The following explosives and related substances—

- (a) amatol;
- (b) nitrocellulose (containing more than 12.5 % nitrogen);
- (c) nitroglycol;
- (d) pentaerythritol tetranitrate (PETN);
- (e) picryl chloride;
- (f) 2,4,6-trinitrotoluene (TNT).

### **Other goods**

**8.**—(1) Subject to sub-paragraph (2), the following equipment designed for the protection of person—

- (a) body armour providing ballistic or stabbing protection or both;
- (b) helmets providing ballistic or fragmentation protection, or both, including anti-riot helmets;

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- (c) anti-riot shields and ballistic shields.
- (2) Sub-paragraph (1) does not apply to—
  - (a) any thing specially designed to protect persons for the following purposes—
    - (i) participation in competitive sport;
    - (ii) ensuring safety at work;
  - (b) any thing mentioned in sub-paragraph (1)(a) or (b) when accompanying a person for that person's own protection.
- 9. Night vision equipment.
- 10. Thermal imaging equipment.
- 11. Image intensifier tubes.
- 12. Razor barbed wire.
- 13. The following types of knives—
  - (a) knives that are designed for use by military personnel (military knives);
  - (b) knives that are designed for use as a weapon for inflicting injury (combat knives);
  - (c) bayonets with blade lengths in excess of 10 cm.

**Production equipment**

14. Any equipment which is specially designed or modified for the development or for one or more of the production phases of any item mentioned in paragraphs 1 to 13 of this Schedule.

**Software and technology**

15. Any software which is specially designed for the simulators mentioned in paragraph 2.

16. Any technology which is specially designed to develop, produce or use any item mentioned in paragraphs 1 to 13 of this Schedule.

**Interpretation**

17.—(1) In this Schedule, “firearm” means any portable barrelled weapon that expels, is designed to expel or may be converted to expel, a shot, bullet or projectile by the action of a combustible propellant.

(2) For the purposes of this Schedule, the following terms have the meaning given to them in the Dual-Use Regulation—

- “development”;
- “production”;
- “software”;
- “technology”;
- “use”.

## SCHEDULE 6

Regulation 61(2)

### Treasury licences: purposes

## PART 1

### Interpretation

#### Interpretation

**1.** In this Schedule—

“designated person” has the same meaning as it has in Chapter 1 of Part 3 (Finance);

“frozen funds or economic resources” means funds or economic resources frozen by virtue of regulation 11, and any reference to a person’s frozen funds or economic resources is to funds or economic resources frozen as a consequence of the designation of that person for the purpose of that regulation.

## PART 2

### Financial sanctions in Chapter 1 of Part 3(asset-freeze etc)

#### Basic needs

**2.—(1)** To enable the basic needs of a designated person, or (in the case of an individual) any dependent family member of such a person, to be met.

(2) In the case of an individual in sub-paragraph (1), “basic needs” includes—

- (a) medical needs;
- (b) needs for—
  - (i) food;
  - (ii) payment of insurance premiums;
  - (iii) payment of tax;
  - (iv) rent or mortgage payments;
  - (v) utility payments.

(3) In the case of a person other than an individual in sub-paragraph (1), “basic needs” includes needs for—

- (a) payment of insurance premiums;
- (b) payment of reasonable fees for the provision of property management services;
- (c) payment of remuneration, allowances or pensions of employees;
- (d) payment of tax;
- (e) rent or mortgage payments;
- (f) utility payments.

(4) In sub-paragraph (1)—

“dependent” means financially dependent;

“family member” includes—

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- (a) the wife or husband of the designated person;
- (b) the civil partner of the designated person;
- (c) any parent or other ascendant of the designated person;
- (d) any child or other descendant of the designated person;
- (e) any person who is a brother or sister of the designated person, or a child or other descendant of such a person.

**Legal services**

3. To enable the payment of—
- (a) reasonable professional fees for the provision of legal services, or
  - (b) reasonable expenses associated with the provision of legal services.

**Maintenance of frozen funds and economic resources**

4. To enable the payment of—
- (a) reasonable fees, or
  - (b) reasonable service charges,

arising from the routine holding or maintenance of frozen funds or economic resources.

**Extraordinary expenses**

5. To enable an extraordinary expense of a designated person to be met.

**Pre-existing judicial decisions etc**

6. To enable, by the use of a designated person’s frozen funds or economic resources, the implementation or satisfaction (in whole or in part) of a judicial, administrative or arbitral decision or lien, provided that—
- (a) the funds or economic resources so used are the subject of the decision or lien,
  - (b) the decision or lien—
    - (i) was made or established before the date on which the person became a designated person, and
    - (ii) is enforceable in the United Kingdom, and
  - (c) the use of the frozen funds or economic resources does not directly or indirectly benefit any other designated person.

**Humanitarian assistance activities etc**

- 7.—(1) To enable anything to be done in connection with the performance of any humanitarian assistance activity.
- (2) To enable, by the use of a designated person’s frozen funds or economic resources, a payment to be made to the United Nations in connection with the performance of any activity whose purpose is consistent with the Syrian Humanitarian Response Plan.
- (3) For the purposes of this paragraph, “the Syrian Humanitarian Response Plan” means the strategy for a humanitarian response in Syria developed by the United Nations Office for the Coordination of Humanitarian Affairs in accordance with the UN General Assembly Resolution

number 46/182, on strengthening of the coordination of humanitarian emergency assistance of the United Nations<sup>(69)</sup>.

### **Diplomatic missions etc**

8. To enable anything to be done in order that the functions of a diplomatic mission or consular post in Syria, or of an international organisation enjoying immunities in accordance with international law, may be carried out.

### **Human safety or environmental protection**

9. To enable anything to be done to protect the safety of individuals or for the protection of the environment.

### **Education, professional training or academic research**

10.—(1) To enable, by the transfer of funds or economic resources by or through a designated credit or financial institution, the provision of financial support to an individual who is a national of Syria to pursue an education, professional training or academic research in the United Kingdom, provided that the use of the funds or economic resources does not directly or indirectly benefit a designated person.

(2) For the purposes of paragraph (1), “designated credit or financial institution” means a person, other than an individual, who is designated under regulation 5 for the purposes of regulations 11 to 15 and who—

- (a) in the case of an undertaking, by way of business—
  - (i) operates a currency exchange office,
  - (ii) transmits money (or any representation of monetary value) by any means, or
  - (iii) cashes cheques that are made payable to customers, and
- (b) in the case of any other person, would satisfy the threshold conditions for permission under Part 4A of the Financial Services and Markets Act 2000 if it had its registered office (or if it does not have one, its head office) in the United Kingdom.

### **Essential energy needs**

11. To enable anything to be done in order to meet the essential energy needs of the civilian population in Syria.

### **Evacuations**

12. To enable anything to be done in order to evacuate an individual from Syria.

### **Chemical Weapons Convention**

13.—(1) To enable a payment to be made by the Central Bank of Syria or by a designated person who is owned or controlled directly or indirectly (within the meaning of regulation 7) by the Syrian regime to the Organization for the Prohibition of Chemical Weapons for the purposes of compliance with article 4 of the Chemical Weapons Convention.

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(69) A copy of which is available from the Humanitarian Response website of the United Nations Office for the Coordination of Humanitarian Affairs: <https://www.humanitarianresponse.info/en/operations/whole-of-syria>.

(2) For the purposes of this paragraph, “the Organization for the Prohibition of Chemical Weapons” means the Organization established pursuant to article 8 of the Chemical Weapons Convention.

#### **Extraordinary situation**

14. To enable anything to be done to deal with an extraordinary situation.

#### **Prior obligations**

15. To enable, by the use of a designated person’s frozen funds or economic resources, the satisfaction of an obligation of that person (whether arising under a contract, other agreement or otherwise), provided that—

- (a) the obligation arose before the date on which the person became a designated person, and
- (b) no payments are made to another designated person, whether directly or indirectly.

#### **Central and Commercial Banks of Syria**

16.—(1) To enable, by the transfer of frozen funds or economic resources by or through the Central Bank of Syria and to a UK credit or financial institution, the financing of trade that is not subject to a prohibition under Part 5 (Trade).

(2) For the purposes of this paragraph, “UK credit or financial institution” has the same meaning as it has in regulation 23.

(3) Subject to sub-paragraph (7), to enable, by the transfer of frozen funds or economic resources by or through the Central Bank of Syria, the satisfaction of an obligation arising under a trade contract, provided that the funds or economic resources were frozen after the date on which the Central Bank of Syria became a designated person.

(4) Subject to sub-paragraph (7), to enable, by the transfer of funds or economic resources to or through the Central Bank of Syria, the satisfaction of an obligation arising under a trade contract.

(5) Subject to sub-paragraph (7), to enable, by the transfer of frozen funds or economic resources from outside of the United Kingdom, by or through the Commercial Bank of Syria, the satisfaction of an obligation arising under a trade contract, provided that—

- (a) the trade contract is for the purpose of meeting the essential needs of the civilian population in Syria, and
- (b) the funds or economic resources were frozen after the date on which the Commercial Bank of Syria became a designated person.

(6) Subject to sub-paragraph (7), to enable, by the transfer of funds or economic resources from outside of the United Kingdom, to or through the Commercial Bank of Syria, the satisfaction of an obligation arising under a trade contract, provided that the trade contract is for the purpose of meeting the essential needs of the civilian population in Syria.

(7) Sub-paragraphs (3) to (6) do not apply where—

- (a) the transfer of the funds or economic resources directly or indirectly benefits a designated person, or
- (b) the transfer is prohibited under Part 5 (Trade).

(8) In sub-paragraph (5) and (6), “essential needs” includes medical needs and needs for food, shelter, sanitation and hygiene.

## PART 3

### Financial sanctions in Chapter 2 of Part 3 (investment, financial services and financial markets)

#### **Assisting the civilian population in Syria**

**17.**—(1) Subject to sub-paragraph (2), to enable anything to be done, for the purpose of providing assistance to the civilian population in Syria, by any activity that would otherwise be prohibited under by any of the following—

- (a) regulation 16(1)(a) (opening bank accounts with a Syrian credit or financial institution);
- (b) regulation 16(3) (opening representative offices or establishing branches or subsidiaries of a UK credit or financial institution in Syria);
- (c) regulation 21 (investments in relation to crude oil and electricity production).

(2) Sub-paragraph (1) does not apply where—

- (a) the act directly or indirectly benefits a designated person, or
- (b) the act is prohibited under Part 5 (Trade).

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#### **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 in relation to Syria for the purpose of encouraging the Syrian regime to refrain from actions, policies or activities which repress the civilian population in Syria and to participate in negotiations in good faith to reach a negotiated political settlement to bring about a peaceful solution to the conflict in Syria. Following the UK's withdrawal from the European Union, these Regulations replace the EU sanctions regime concerning restrictive measures in view of the situation in Syria, implemented via an EU Council Decision and Regulation.

The Regulations confer a power on the Secretary of State to designate persons who are, or have been, involved in repressing the civilian population in Syria or those persons who support or have benefitted from the Syrian regime. This will include persons who are, or have been, Ministers or high-ranking officials in the Syrian armed forces, prominent businesspersons in Syria and other persons involved in chemical weapons-related activities. Designated persons may be excluded from the United Kingdom and may be made subject to financial sanctions, including having their funds and/or economic resources frozen. These Regulations also impose trade restrictions on specified goods and technology (as specified in Schedule 2 to these Regulations), including goods and technology relating to chemical and biological weapons (as specified in Schedule 3 to these Regulations), which may be used for interception and monitoring services in Syria (as specified in Schedule 4 to these Regulations) and those which may be used to repress the civilian population of Syria (as specified in Schedule 5 to these Regulations). A further trade sanction that is imposed by these Regulations is to prohibit the provision of interception and monitoring services to, or for the benefit of, the Government of Syria. The Regulations also prohibit aircraft from accessing UK airports, by preventing them from landing in the UK.

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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 acts done for the purpose of national security or the prevention of serious crime. The Regulations also confer powers on the Secretary of State and the Treasury to issue licences in respect of activities that would otherwise be prohibited under the financial, trade and aircraft provisions. Schedule 6 to these Regulations sets out the purposes pursuant to which the Treasury will issue such licences.

The 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 the sanctions regime.

Council Regulation (EU) No 36/2012 concerning restrictive measures in view of the situation in Syria is revoked by these Regulations. The Syria (European Union Financial Sanctions) Regulations 2012 (S.I. 2012/129) and certain provisions of the Export Control (Syria Sanctions) Order 2013 (S.I. 2013/2012) are also revoked by these Regulations.

A copy of the Harmonized Commodity Description and Coding System under the International Convention on the Harmonized System as done in Brussels on 14 June 1983 may be inspected free of charge by arrangement with HM Revenue and Customs at 100 Parliament Street, London SW1A 2BQ and is available at:

<http://www.wcoomd.org/en/topics/nomenclature/instrument-and-tools/hs-nomenclature-2017-edition/hs-nomenclature-2017-edition.aspx>.

An Impact Assessment has not been produced for these Regulations, as the instrument is intended to ensure existing sanctions remain in place following the United Kingdom's withdrawal from the European Union. An impact assessment was, however, produced for the Sanctions and Anti-Money Laundering Act 2018 and can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/653271/Sanctions\\_and\\_Anti-Money\\_Laundering\\_Bill\\_Impact\\_Assessment\\_18102017.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/653271/Sanctions_and_Anti-Money_Laundering_Bill_Impact_Assessment_18102017.pdf).