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STATUTORY INSTRUMENTS

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**2022 No. 453**

**The Russia (Sanctions) (Overseas Territories) (Amendment) Order 2022**

**Citation, commencement and extent**

1.—(1) This Order may be cited as the Russia (Sanctions) (Overseas Territories) (Amendment) Order 2022 and comes into force on 14th April 2022.

(2) This Order extends to each British overseas territory listed in the Schedule.

**Amendment of the Russia (Sanctions) (Overseas Territories) Order 2020**

2. Schedule 2 (modifications to be made in the extension of the Russia (Sanctions) (EU Exit) Regulations 2019 to each British overseas territory listed in Schedule 1) to the Russia (Sanctions) (Overseas Territories) Order 2020<sup>(1)</sup> is amended as set out in articles 3 to 38.

3. In paragraph 2(b)(i), for the inserted definition of “authorised officer” substitute—

““authorised officer” means, in relation to the Territory—

- (a) a member of Her Majesty’s forces in the Territory,
- (b) a police or customs officer of the Territory,
- (c) a person authorised by the Governor for the purposes of exercising, whether generally or in a particular case, any power conferred by—
  - (i) regulation 57D(8) (detention of ships),
  - (ii) regulation 72 (finance: powers to request information),
  - (iii) regulation 73 (finance: production of documents),
  - (iv) regulation 75 (trade: information powers),
  - (v) regulation 77 (general trade licences: inspection of records),
  - (vi) regulation 78 (disclosure of information),
  - (vii) regulation 79A (suspected ships, aircraft or vehicles), or
  - (viii) regulation 79B (search warrants), or
- (d) any person acting under the authority of a person falling within any of paragraphs (a) to (c);”.

4. In paragraph 3, at the end insert—

“(f) in paragraph (3)(da), for “regulation 57L(6) (disclosure of confidential information)” substitute “regulation 57L(7) (disclosure of confidential information)”;

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<sup>(1)</sup> [S.I. 2020/1571](#), as amended by [S.I. 2021/288](#). That instrument extends with modifications the Russia (Sanctions) (EU Exit) Regulations 2019 ([S.I. 2019/855](#)) as amended from time to time to the British overseas territories named in Schedule 1 to that instrument.

(g) in paragraph (5), for “regulation 57J(3) (direction by air traffic control to operator or pilot of Russian aircraft)” substitute “regulation 57J(3)(a) or (b) (certain directions by air traffic control to operator or pilot of Russian aircraft).”

5. After paragraph 7 insert—

“7A. Omit regulation 6A (conditions for the designation of persons by description) (including the heading).”

6. For paragraph 8 substitute—

“8. For regulation 8 (notification and publicity where designation power used) substitute—

**“Requirement to publish a list of persons designated by name**

8.—(1) Subject to paragraph (2), the Governor must—

- (a) publish a list of designated persons, and
- (b) keep the list up to date.

(2) Where, in accordance with regulation 8 (notification and publicity where designation power used)(as it has effect in the United Kingdom) the Secretary of State is not required to publicise generally a designation, variation or revocation, the Governor must not include in the list under paragraph (1) any details of that designation, variation or revocation.

(3) The Governor may publish the list under paragraph (1) in any form the Governor considers appropriate, including by means of a website.

(4) For the purpose of this regulation, “designated person” means any person for the time being designated by name by the Secretary of State under regulation 5(1) (power to designate persons by name)(as it has effect in the United Kingdom).”

7. After paragraph 9 insert—

“9A. For regulation 9A (notification and publicity where power to designate by description is used) substitute—

**“Requirement to publish a list of designations by description**

9A.—(1) Subject to paragraph (2), the Governor must—

- (a) publish a list of designations by description, and
- (b) keep the list up to date.

(2) Where, in accordance with regulation 9A (notification and publicity where power to designate by description is used)(as it has effect in the United Kingdom) the Secretary of State is not required to publicise generally a designation, variation or revocation, the Governor must not include in the list under paragraph (1) any details of that designation, variation or revocation.

(3) The Governor may publish the list under paragraph (1) in any form the Governor considers appropriate, including by means of a website.

(4) For the purposes of this regulation, “designations by description” means where the Secretary of State has for the time being provided that persons of a specified description are designated persons under regulation 5(1A) (power to designate persons by description)(as it has effect in the United Kingdom).”

9B. In regulation 9B (confidential information in certain cases where power to designate by description is used)—

- (a) in the heading, for “where power to designate by description is used” substitute “relating to designation by description”;
  - (b) omit paragraph (1);
  - (c) in paragraph (2)(a), for “that is to be treated as confidential in accordance with paragraph (1)” substitute “which the Secretary of State has specified is to be treated as confidential under regulation 9B(1) (as it has effect in the United Kingdom)”;
  - (d) in paragraph (7)—
    - (i) for “High Court (in Scotland, the Court of Session)” substitute “Supreme Court of the Territory”;
    - (ii) omit “(in Scotland, an interdict)”;
  - (e) at the end, insert—

“(9) In this regulation, “Supreme Court of the Territory” has the meaning given in regulation 9 (confidential information in certain cases).”
- 8.** For paragraph 10 substitute—

“**10.** For regulation 10 (meaning of “designated person”) substitute—

“**10.** In this Chapter, a “designated person” means a person who is designated from time to time by the Secretary of State under regulation 5 (power to designate persons)(as it has effect in the United Kingdom) for the purposes of regulations 11 to 15 (asset-freeze etc.)(as they have effect in the United Kingdom).”
- 9.** In paragraph 11, after sub-paragraph (a) insert—

“(aa) in paragraph (4B)—
  - (i) for “1st March 2022” substitute “14th April 2022”;
  - (ii) in sub-paragraph (a)(i), for “United Kingdom” substitute “Territory”;
- 10.** In paragraph 12—
  - (a) omit sub-paragraphs (b) and (c);
  - (b) at the end insert—
    - “(d) in the definition of “category 1 loan”—
      - (i) in paragraph (b)(ii)(aa), for “non-UK country” substitute “non-Territory country”;
      - (ii) in paragraph (c), for “IP completion day” substitute “Part 3 first came into force(2)”;
    - (e) in the definition of “category 2 loan”—
      - (i) in paragraph (b)(i), for “United Kingdom” substitute “Territory”;
      - (ii) in paragraph (c), for “1st March 2022” substitute “14th April 2022”.
- 11.** After paragraph 12 insert—

“**12A.** In regulation 17A (correspondent banking relationships etc.)—
  - (a) in paragraph (1)—

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(2) Part 3 (Finance) (as it has effect in the Territory) came into force immediately after both the Sanctions (EU Exit) (Miscellaneous Amendments) (No. 2) Regulations 2020 (S.I. 2020/590) and the Sanctions (EU Exit) (Miscellaneous Amendments) (No. 4) Regulations 2020 (S.I. 2020/951) had come into force in the United Kingdom. Those Regulations both came into force in the United Kingdom immediately after IP completion day.

- (i) for “UK credit or financial institution”, in both places it occurs, substitute “Territory credit or financial institution”;
- (ii) in sub-paragraph (c), for “non-UK credit or financial institution” substitute “non-Territory credit or financial institution”;
- (b) in paragraph (2)—
  - (i) after “sterling payment”, in the first place it occurs, insert “or payment in a relevant currency”;
  - (ii) in sub-paragraph (b), for “UK credit or financial institution” substitute “Territory credit or financial institution”;
  - (iii) in sub-paragraph (c), for “non-UK credit or financial institution” substitute “non-Territory credit or financial institution”;
  - (iv) after “sterling payment”, in the second place it occurs, insert “or payment in a relevant currency (as the case may be)”;
- (c) in paragraph (5), after “sterling payment” insert “or payment in a relevant currency”;
- (d) in paragraph (6)—
  - (i) for the definition of “designated person” substitute—
    - ““designated person” means a person who is designated from time to time by the Secretary of State under regulation 5 (power to designate persons) (as it has effect in the United Kingdom) for the purposes of regulation 17A (correspondent banking relationships etc.)(as it has effect in the United Kingdom);”;
  - (ii) at the appropriate place insert—
    - ““non-Territory country” means a country that is not the Territory;”;
    - ““relevant currency” means the Bermuda dollar, the Cayman Islands dollar, the Falkland Islands pound, the Gibraltar pound and the St Helena pound;”;
  - (iii) for the definition of “non-UK credit or financial institution” substitute—
    - ““non-Territory credit or financial institution” means—
      - (a) a person, other than an individual, domiciled in a non-Territory country which would satisfy the threshold conditions for permission under Part 4A of the Financial Services and Markets Act 2000 (permission to carry on regulated activities)<sup>(3)</sup> if it had its registered office (or if it does not have one, its head office) in the United Kingdom, or
      - (b) an undertaking, other than a Territory credit or financial institution, 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;”;
  - (iv) for the definition of “UK credit or financial institution” substitute—
    - ““Territory credit or financial institution” means—

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(3) 2000 c. 8. Part 4A was inserted by the Financial Services Act 2012 (c. 21), section 11(2), and most recently amended by the Financial Services Act 2021 (c. 22), Schedule 11, paragraphs 2 and 3.

- (a) a person, other than an individual, domiciled in the Territory which would satisfy the threshold conditions for permission under Part 4A of the Financial Services and Markets Act 2000 (permission to carry on regulated activities) if it had its registered office (or if it does not have one, its head office) in the United Kingdom, or
- (b) an undertaking domiciled in the Territory 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.”

**12B.** In regulation 19A (interpretation of Part 3)—

- (a) in paragraph (1)—
  - (i) for the definition of “credit or financial institution” substitute—

““credit or financial institution” means a Territory credit or financial institution or a non-Territory credit or financial institution;”;
  - (ii) in the definition of “Government of Russia”, after “regulation 6” insert “(as it has effect in the United Kingdom)”;
- (b) in paragraph (3)—
  - (i) in sub-paragraph (a), for “non-UK credit or financial institution” substitute “non-Territory credit or financial institution”;
  - (ii) in sub-paragraph (b), for “UK credit or financial institution” substitute “Territory credit or financial institution”.”

**12.** In paragraph 14, after sub-paragraph (b) insert—

- “(ba) after paragraph (4A) insert—

“(4B) For the purposes of this Part, “import” means import into the Territory.””

**13.** In paragraph 15, for “regulation 22 (export of military goods)” substitute “regulation 22 (export of restricted goods)”.

**14.** In paragraph 17, for “regulation 24 (supply and delivery of military goods)” substitute “regulation 24 (supply and delivery of restricted goods)”.

**15.** In paragraph 18, for “regulation 26 (transfer of military technology)” substitute “regulation 26 (transfer of restricted technology)”.

**16.** In paragraph 19, for “regulation 29 (brokering services: non-UK activity relating to military goods and military technology)” substitute “regulation 29 (brokering services: non-UK activity relating to restricted goods and restricted technology)”.

**17.** Omit paragraph 21.

**18.** Omit paragraph 22.

**19.** Omit paragraph 23.

**20.** After paragraph 26 insert—

“**26A.** In regulation 46A (technical assistance relating to aircraft and ships), in paragraph (5) for the definition of “designated person” substitute—

““designated person” means a person for the time being designated by the Secretary of State under regulation 5 (power to designate persons)(as it has effect in the United

Kingdom) for the purposes of regulation 46A (technical assistance relating to aircraft and ships)(as it has effect in the United Kingdom);”.

**21.** For paragraph 27 substitute—

“**27.** In regulation 47 (import from non-government controlled Ukrainian territory), at the end insert—

“(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 of contravening paragraph (1) to show that the person did not know and had no reasonable cause to suspect that the goods originated in non-government controlled Ukrainian territory.”

**22.** For paragraph 28 substitute—

“**28.** In regulation 48 (export of infrastructure-related goods to non-government controlled Ukrainian territory), at the end insert—

“(3) A person who contravenes a prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with the offence of contravening paragraph (1) to show that the person did not know and had no reasonable cause to suspect that the export was to, or the goods were for use in, non-government controlled Ukrainian territory.”

**23.** For paragraph 29 substitute—

“**29.** In regulation 49 (supply and delivery of infrastructure-related goods), in paragraph (4), for “United Kingdom, the Isle of Man” substitute “Territory”.

**24.** In paragraph 30—

(a) for “regulation 53 (brokering services: non-UK activity relating to energy-related goods and energy-related technology)” substitute “regulation 53 (brokering services: non-UK activity relating to infrastructure-related goods and goods from non-government controlled Ukrainian territory)”;

(b) in paragraph (c), for the substituted text substitute—

“(4) In this regulation—

“non-Territory country” means a country that is not the Territory;

“third country” means a country that is not the Territory or non-government controlled Ukrainian territory.”

**25.** In paragraph 31—

(a) for “regulation 57 (movement of ships)” substitute “regulation 57 (Crimean ports direction or Donetsk ports direction)”;

(b) at the end insert—

“(c) omit paragraph (7).”

**26.** After paragraph 31 insert—

“**31A.** In regulation 57A (prohibition on port entry)—

(a) in paragraphs (1) and (2), for “United Kingdom”, in both places it occurs, substitute “Territory”;

(b) for paragraph (6) substitute—

“(6) In paragraph (5), a “designated person” means a person for the time being designated by the Secretary of State under regulation 5 (power to designate persons)(as it has effect in the United Kingdom) for the purposes of regulations 57A and 57C to 57E (ships: prohibition on port entry etc.)(as they have effect in the United Kingdom).”

- 31B.** In regulation 57B (directions prohibiting port entry)—
- (a) in paragraphs (2), (3), (5) and (6), for “Secretary of State”, in each place it occurs, substitute “Governor”;
  - (b) in paragraphs (3) and (7), for “United Kingdom”, in both places it occurs, substitute “Territory”;
  - (c) in paragraph (4), for “under this regulation” substitute “under paragraph (1), (2) or (3)”;
  - (d) after paragraph (6) insert—

“(6A) The Secretary of State may direct the Governor to exercise any of the Governor’s powers under this regulation.”
- 31C.** In regulation 57C (movement of ships)—
- (a) in paragraphs (1), (2), (4) and (5), for “Secretary of State”, in each place it occurs, substitute “Governor”;
  - (b) in paragraph (3), for “under this regulation” substitute “under paragraph (1) or (2)”;
  - (c) after paragraph (5) insert—

“(5A) The Secretary of State may direct the Governor to exercise any of the Governor’s powers under this regulation.”;
  - (d) in paragraph (6), for the definition of “designated person” substitute—

“a “designated person” means a person for the time being designated by the Secretary of State under regulation 5 (power to designate persons)(as it has effect in the United Kingdom) for the purposes of regulations 57A and 57C to 57E (ships: prohibition on port entry etc.)(as they have effect in the United Kingdom);”.
- 31D.** In regulation 57D (detention of ships)—
- (a) in paragraphs (1), (2) and (3), for “Secretary of State”, in each place it occurs, substitute “Governor”;
  - (b) in paragraphs (4) and (6)(b), for “United Kingdom”, in both places it occurs, substitute “Territory”;
  - (c) after paragraph (7) insert—

“(7A) The Secretary of State may direct the Governor to exercise any of the Governor’s powers under paragraph (1) or (3).”;
  - (d) for paragraph (8) substitute—

“(8) Where a detention direction is given under this regulation in relation to a ship, an authorised officer may detain the ship.

(8A) If a ship in respect of which a detention direction has been given to the master proceeds to sea in contravention of the detention direction, the master of the ship commits an offence.

(8B) If a ship in respect of which a detention direction has been given to the master fails to comply with any requirements imposed by the direction, the master of the ship commits an offence.

(8C) The owner of a ship, and any person who sends to sea a ship, in respect of which an offence is committed under paragraph (8A) or (8B), if party or privy to the offence, also commits an offence under that paragraph.

(8D) Any reference in this regulation to proceeding to sea includes a reference to going on a voyage or excursion that does not involve going to sea, and references to sending to sea are to be construed accordingly.”;

(e) for paragraph (10) substitute—

“(10) In this regulation, “designated person” means a person for the time being designated by the Secretary of State under regulation 5 (power to designate persons)(as it has effect in the United Kingdom) for the purposes of regulations 57A and 57C to 57E (ships: prohibition on port entry etc.)(as they have effect in the United Kingdom).”

**31E.** In regulation 57E (registration of ships in the United Kingdom)—

- (a) in the heading, for “United Kingdom” substitute “Territory”;
- (b) in paragraphs (1) and (2), for “Registrar”, in each place it occurs, substitute “Territory registrar”;
- (c) in paragraph (1), after “Secretary of State” insert “, by the Governor”;
- (d) in paragraph (2), after “Secretary of State” insert “or the Governor”;
- (e) in paragraph (3)—

- (i) before sub-paragraph (a) insert—

- “(za) “the Territory registrar”, in relation to the Territory, means the person responsible for the registration of ships in the Territory;”;

- (ii) in sub-paragraph (a), for “register of British ships maintained by the Registrar” substitute “register of British ships in the Territory maintained by the Territory registrar”;

- (iii) for sub-paragraph (b) substitute—

- “(b) “designated person” means a person for the time being designated by the Secretary of State under regulation 5 (power to designate persons)(as it has effect in the United Kingdom) for the purposes of regulations 57A and 57C to 57E (ships: prohibition on port entry etc.) (as they have effect in the United Kingdom), and”.

**31F.** Omit regulation 57F (specification of ships) (including the heading).

**31G.** For regulation 57G (notification and publicity where specification power used) substitute—

**“Requirement to publish a list of specified ships**

**57G.—**(1) Subject to paragraph (2), the Governor must—

- (a) publish a list of specified ships, and
- (b) keep the list up to date.

(2) Where, in accordance with regulation 57G (notification and publicity where specification power used) (as it has effect in the United Kingdom) the Secretary of State is not required to publicise generally a specification or revocation, the Governor must not include in the list under paragraph (1) any details of that specification or revocation.

(3) The Governor may publish the list under paragraph (1) in any form the Governor considers appropriate, including by means of a website.”

**31H.** In regulation 57H (directions under this Part: general), in paragraph (1), after “Secretary of State” insert “or Governor”.

**31I.** In regulation 57I (interpretation of Part 6)—

- (a) in paragraph (4), in the definition of “specified ship”, after “under regulation 57F (specification of ships)” insert “(as it has effect in the United Kingdom)”;
- (b) in paragraph (6), after “in that section” insert, unless otherwise provided in this Part”.



**31J.** In regulation 57J (movement of aircraft)—

(a) in paragraph (1), for “United Kingdom”, in both places it occurs, substitute “Territory”;

(b) in paragraph (3)—

(i) in sub-paragraph (a), for “United Kingdom, or” substitute “Territory,”;

(ii) in sub-paragraph (b), for “United Kingdom by a specific route.” substitute “Territory by a specific route,”;

(iii) at the end insert—

“(c) not to take off, or not to permit the aircraft to take off, from an airport in the Territory,

(d) to take off, or to require the aircraft to take off, from an airport in the Territory, or

(e) not to land, or not to permit the aircraft to land, at an airport in the Territory.”

(c) in paragraph (4), for “Secretary of State” substitute “Governor”;

(d) in paragraph (6), for “Secretary of State” substitute “Governor”;

(e) for paragraph (9) substitute—

“(9) The Secretary of State, or the Governor (as the case may be), may—

(a) refuse permission under article 135 of the ANO in respect of a Russian aircraft,

(b) refuse permission under article 137 of the ANO in respect of a Russian aircraft,

(c) suspend or revoke any permission granted under article 135 of the ANO in respect of a Russian aircraft, or

(d) suspend or revoke any permission granted under article 137 of the ANO in respect of a Russian aircraft.”

(f) for paragraph (11) substitute—

“(11) In paragraph (10), a “designated person” means a person for the time being designated by the Secretary of State under regulation 5 (power to designate persons) (as it has effect in the United Kingdom) for the purposes of regulation 57J or 57M (movement or registration of aircraft)(as they have effect in the United Kingdom).”

(g) at the end insert—

“(12) The Secretary of State may direct the Governor to exercise any of the Governor’s powers under paragraph (4) or (6).”

**31K.** In regulation 57K (directions under regulation 57J), in paragraph (6), after “Secretary of State” insert “or Governor (as the case may be)”.

**31L.** For regulation 57L (directions under regulation 57J: supplementary) substitute—

“**57L.**—(1) Where a direction is given under regulation 57J(9)(c) or (d), to the extent that the direction conflicts with the requirements of article 12 of the ANO (revocation etc. of permissions), those requirements are to be disregarded.

(2) Where a direction is given under regulation 57J which conflicts with a permission under article 135 or 137 of the ANO, the permission is to be disregarded.

(3) In so far as a direction under regulation 57J conflicts with any requirement in the applicable law of the Territory that corresponds to the requirements of section 93 of the

Transport Act 2000(4) 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 57J conflicts with the requirements of any other relevant law applicable to the Territory, the requirements are to be disregarded.

(5) The Secretary of State may notify a person that the existence of a direction under regulation 57J, any part of the content of the direction, or anything done under the direction, is to be treated as confidential.

(6) The Governor may notify a person that the existence of a direction issued by the Governor under regulation 57J, any part of the content of the direction, or anything done under the direction, is to be treated as confidential.

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

(8) For the purposes of this regulation, a “direction” under regulation 57J includes the refusal, suspension or revocation of permission under regulation 57J(9).”

**31M.** For regulation 57M (registration of an aircraft in the United Kingdom) substitute—

**“Registration of an aircraft in the Territory**

**57M.—**(1) The Governor must refuse to register an aircraft if, on the basis of the information given to the Governor by the applicant, the Secretary of State or a third person, the aircraft appears to be a relevant aircraft.

(2) The Secretary of State may direct the Governor to terminate the registration of a relevant aircraft.

(3) In so far as a direction under paragraph (2) conflicts with the provisions of Part 2 (Registration and marking of aircraft) of the ANO, those provisions are to be disregarded.

(4) For the purposes of this regulation, “relevant aircraft” means—

- (a) an aircraft owned or operated by a designated person, or
- (b) an aircraft chartered by demise by a designated person.

(5) Any reference in this regulation to registering an aircraft is a reference to registering an aircraft in the register in relation to the Territory kept by the Governor.

(6) In paragraph (4), a “designated person” means a person for the time being designated by the Secretary of State under regulation 5 (power to designate persons)(as it has effect in the United Kingdom) for the purposes of regulation 57J or 57M (movement or registration of aircraft)(as they have effect in the United Kingdom).”

**31N.** In regulation 57N (offences)—

- (a) in paragraph (2), for “Secretary of State” substitute “Governor”;
- (b) in paragraph (5), for “regulation 57L(6) (disclosure of direction)” substitute “regulation 57L(7) (disclosure of direction)”.

**31O.** In regulation 57O (interpretation of Part 6A)—

- (a) in paragraph (1)—
  - (i) for the definition of “air traffic control” substitute—

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(4) 2000 c. 38. Sections 93 and 94 were amended by the Constitutional Reform Act 2005 (c. 4), Schedule 4, paragraphs 295 and 296, and the Space Industry Act 2018 (c. 5), Schedule 12, paragraph 20.

““air traffic control” means a person which provides any of the following services in the Territory—

- (a) an air traffic control service (which has the meaning that it has in article 3(1) of the ANO), or
- (b) a flight information service (which has the meaning that it has in article 3(1) of the ANO);”

(ii) for the definition of “the ANO” substitute—

““the ANO” means the Air Navigation (Overseas Territories) Order 2013(5);”;

(iii) at the appropriate places insert—

““airport” means the aggregate of the land, water, buildings and works comprised in an aerodrome within the meaning of article 3(1) of the ANO;”;

““airport operator”, in relation to the Territory, means a person in charge of the operation of an airport in the Territory;”;

- (b) in paragraph (4), after “in that section” insert “, unless otherwise provided in this regulation”.

**27.** For paragraph 33 substitute—

“**33.** In regulation 59 (exceptions relating to loans and credit arrangements)—

(a) in paragraph (1)(c)—

(i) after paragraph (i) insert—

“(ia) in the case of a category 2 loan, 14th April 2022;”;

(ii) in paragraph (ii), omit “a category 2 loan;”;

(b) in paragraph (2)(a)(i)—

(i) after sub-paragraph (aa) insert—

“(aaa) in the case of a category 2 loan, 14th April 2022;”;

(ii) in sub-paragraph (bb), omit “a category 2 loan;”;

(c) in paragraph (3), in the definition of “relevant subsidiary”, for “United Kingdom” substitute “Territory”.

**28.** After paragraph 33 insert—

“**33A.** In regulation 59A (exception relating to correspondent banking relationships etc.)—

(a) the existing text becomes paragraph (1);

(b) in that paragraph, after “the processing of a sterling payment” insert “or a payment in a relevant currency”;

(c) at the end insert—

“(2) In this regulation, “relevant currency” has the meaning it has in regulation 17A (correspondent banking relationships etc.).”

**29.** In paragraph 34, for “regulation 60 (exceptions relating to investments in relation to Crimea)” substitute “regulation 60 (exceptions relating to investments in relation to non-government controlled Ukrainian territory)”.

**30.** After paragraph 34 insert—

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(5) S.I. 2013/2870, as amended by S.I. 2014/2925; S.I. 2014/3281; S.I. 2015/1769; S.I. 2019/853; S.I. 2021/524; and S.I. 2021/755.

**“34A.** In regulation 60ZA (trade: exceptions relating to non-government controlled areas of the Donetsk and Luhansk oblasts), in paragraphs (2)(b), (3)(b) and (5)(b), for “Secretary of State”, in each place it occurs, substitute “Governor”.

**34B.** In regulation 60C (trade: exceptions in relation to aircraft and vessels)—

- (a) in paragraph (1), for “United Kingdom” substitute “Territory”;
- (b) in paragraph (3), in the definition of “qualifying removal”, for “United Kingdom” substitute “Territory”.”

**31.** After paragraph 35 insert—

**“35A.** In regulation 61B (aircraft: exceptions from prohibitions)—

- (a) in paragraphs (1) and (2), for “United Kingdom”, in both places it occurs, substitute “Territory”;
- (b) in paragraph (4A)(a), for “regulation 57J(3)(b)” substitute “regulation 57J(3)(b) or (d)”.”

**32.** For paragraph 36 substitute—

**“36.** For regulation 62A (exception for authorised conduct in a relevant country) substitute—

**“Exceptions for authorised conduct outside the Territory**

**62A.—(1)** Where a person’s conduct outside the Territory would, in the absence of this paragraph, contravene a prohibition in any of Chapters 1 and 2 of Part 3 (Finance) or Chapters 2 to 6 of Part 5 (Trade), the prohibition is not contravened if the conduct is authorised by a licence issued under regulation 64 (Treasury licences) (as it has effect in the United Kingdom) or regulation 65 (trade licences) (as it has effect in the United Kingdom).

(2) Where a person’s conduct in a relevant country would, in the absence of this paragraph, contravene a prohibition in any of Chapters 1 and 2 of Part 3 or Chapters 2 to 6 of Part 5 (“the relevant prohibition”), the relevant prohibition is not contravened if the conduct is authorised by a licence or other authorisation which is issued—

- (a) under the law of the relevant country, and
- (b) for the purpose of disapplying a prohibition in that jurisdiction which corresponds to the relevant prohibition.

(3) In this regulation—

“relevant country” means—

- (a) any of the Channel Islands,
- (b) the Isle of Man, or
- (c) any British overseas territory other than the Territory.””

**33.** For paragraph 37 substitute—

**“37.** For regulation 63 (exception for acts done for purposes of national security or prevention of serious crime) substitute—

**“63.—(1)** Where an act would, in the absence of this paragraph, be prohibited by regulation 9(2) or 9B(2) (confidentiality) or any prohibition in Part 3 (Finance) or Part 5 (Trade) or under or by virtue of Part 6 (Ships) or Part 6A (Aircraft), that prohibition does not apply to the act if the act is one which—

- (a) a responsible officer has determined would be in the interests of—
  - (i) national security, or

- (ii) the prevention or detection of serious crime in the United Kingdom or elsewhere, or
  - (b) the Governor, with the consent of the Secretary of State, has determined would be in the interests of the prevention or detection of serious crime in the Territory.
- (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 8 (Information and records) or Part 10 (Maritime enforcement), that requirement does not apply if—
  - (a) a responsible officer has determined that not doing the thing in question would be in the interests of—
    - (i) national security, or
    - (ii) the prevention or detection of serious crime in the United Kingdom or elsewhere, or
  - (b) the Governor, with the consent of the Secretary of State, has determined that not doing the thing in question would be in the interests of the prevention or detection of serious crime in the Territory.
- (3) In this regulation, “responsible officer” means a person in the service of the Crown or holding office under the Crown in the United Kingdom, acting in the course of that person’s duty.””

**34.** For paragraph 38 substitute—

“**38.** For regulation 64 (Treasury licences) substitute—

**“Financial sanctions licences**

**64.**—(1) The prohibitions in Chapters 1 and 2 of Part 3 (Finance) do not apply to anything done under the authority of a licence issued by the Governor under this paragraph.

(2) Without prejudice to the generality of the powers conferred by paragraph (1), a financial sanctions licence issued by the Governor may, in particular, authorise acts which would otherwise be prohibited by any of regulations 11 to 17A (financial restrictions) for a particular period beginning with—

- (a) the coming into force of the prohibition, or
- (b) where the prohibition relates to a person designated for the purposes of regulations 11 to 15 (asset-freeze etc.) or regulation 17A (correspondent banking relationships etc.), the date on which the person was designated.

(3) The Governor may issue a financial sanctions licence which authorises acts by a particular person only—

- (a) in the case of acts which would otherwise be prohibited by regulations 11 to 15, where the Governor considers that it is appropriate to issue the licence for a purpose set out in Part 1 (Asset-freeze etc.) of Schedule 5 (Financial sanctions licences: purposes),
- (b) in the case of acts which would otherwise be prohibited by regulation 17 (loans and credit arrangements), where the Governor considers that it is appropriate to issue the licence for a purpose set out in Part 1A (Loans and credit arrangements) of Schedule 5,
- (c) in the case of acts which would otherwise be prohibited by regulation 17A, where the Governor considers that it is appropriate to issue the licence for a purpose set out in Part 1B (Correspondent banking relationships etc.) of Schedule 5,

- (d) in the case of acts which would otherwise be prohibited by regulation 17A(2) (sterling payments etc.), where the Governor considers that it is appropriate to issue the licence for a purpose set out in Part 1C (Sterling payments etc.) of Schedule 5,
- (e) in the case of acts which would otherwise be prohibited by regulation 18 (investments in relation to non-government controlled Ukrainian territory), where the Governor considers that it is appropriate to issue the licence for a purpose set out in Part 2 (Investment in non-government controlled Ukrainian territory) of Schedule 5, and
- (f) in the case of acts which would otherwise be prohibited by regulation 18A (provision of financial services relating to foreign exchange reserve and asset management), where the Governor considers that it is appropriate to issue the licence for a purpose set out in Part 1D (Foreign exchange reserve and asset management services) of Schedule 5.

(4) Part A1 (Interpretation) of Schedule 5 has effect for the interpretation of terms in that Schedule.

(5) The Governor may issue a financial sanctions licence only with the consent of the Secretary of State.””

**35.** After paragraph 39 insert—

“**39A.** In regulation 65A (aircraft licences)—

- (a) the existing text becomes paragraph (1);
- (b) in that paragraph, for “Secretary of State” substitute “Governor”;
- (c) at the end insert—

“(2) The Governor may issue a licence under paragraph (1) only with the consent of the Secretary of State.””

**36.** For paragraph 55 substitute—

“**55.** For regulation 80 (penalties for offences) substitute—

“**80.**—(1) Paragraphs (3) to (8) apply to—

- (a) Anguilla;
- (b) British Antarctic Territory;
- (c) British Indian Ocean Territory;
- (d) Cayman Islands;
- (e) Montserrat;
- (f) Pitcairn, Henderson, Ducie and Oeno Islands;
- (g) Turks and Caicos Islands;
- (h) Virgin Islands.

(2) Paragraphs (9) to (14) apply to—

- (a) Falkland Islands;
- (b) St Helena, Ascension and Tristan da Cunha;
- (c) South Georgia and the South Sandwich Islands;
- (d) the Sovereign Base Areas of Akrotiri and Dhekelia in the Island of Cyprus.

(3) A person who commits an offence under any provision of Part 3 (Finance) or regulation 57 (Crimean ports direction or Donetsk ports direction), 57A (prohibition on port

entry), 57B(4) (directions prohibiting port entry), 57C(3) (movement of ships), 57N(1) to (4) (aircraft offences) or 67 (finance: licensing offences) is liable—

- (a) on summary conviction, to imprisonment for a term not exceeding 6 months, or a fine not exceeding £5,000 or its equivalent in the currency of the Territory, or both;
- (b) on conviction on indictment, to imprisonment for a term not exceeding 7 years, or a fine, or both.

(4) A person who commits an offence under any provision of Part 5 (Trade) is liable—

- (a) on summary conviction, to imprisonment for a term not exceeding 6 months, or a fine not exceeding £5,000 or its equivalent in the currency of the Territory, or both;
- (b) on conviction on indictment, to imprisonment for a term not exceeding 10 years, or a fine, or both.

(5) A person who commits an offence under regulation 9(6), 9B(6) (confidentiality), 68 (trade: licensing offences), 68A (aircraft: licensing offences), 76(6) or 77(5) (offences in connection with general trade licences) is liable—

- (a) on summary conviction, to imprisonment for a term not exceeding 6 months, or a fine not exceeding £5,000 or its equivalent in the currency of the Territory, or both;
- (b) on conviction on indictment, to imprisonment for a term not exceeding 2 years, or a fine, or both.

(6) A person who commits an offence under regulation 57D(8A) or (8B) (detention of ships) is liable—

- (a) on summary conviction, to a fine not exceeding £50,000 or its equivalent in the currency of the Territory;
- (b) on conviction on indictment, to a fine.

(7) A person who commits an offence under regulation 57B(6) (directions prohibiting port entry: confidentiality), 57C(5) (movement of ships: confidentiality), 57N(5) (aircraft: confidentiality), 70(6) or 74 (information offences in connection with Part 3) is liable, on summary conviction, to imprisonment for a term not exceeding 6 months, or a fine not exceeding £5,000 or its equivalent in the currency of the Territory, or both.

(8) A person who commits an offence under regulation 75A (trade: information offences) is liable, on summary conviction, to a fine not exceeding £1,000 or its equivalent in the currency of the Territory.

(9) A person who commits an offence under any provision of Part 3 or regulation 57, 57A, 57B(4), 57C(3), 57N(1) to (4) or 67 is liable on conviction to imprisonment for a term not exceeding 7 years, or a fine, or both.

(10) A person who commits an offence under any provision of Part 5 is liable on conviction to imprisonment for a term not exceeding 10 years, or a fine, or both.

(11) A person who commits an offence under regulation 9(6), 9B(6), 68, 68A, 76(6) or 77(5) is liable on conviction to imprisonment for a term not exceeding 2 years, or a fine, or both.

(12) A person who commits an offence under regulation 57D(8A) or (8B) is liable to a fine.

(13) A person who commits an offence under regulation 57B(6), 57C(5), 57N(5), 70(6) or 74 is liable on conviction to imprisonment for a term not exceeding 6 months, or a fine not exceeding £5,000 or its equivalent in the currency of the Territory, or both.

(14) A person who commits an offence under regulation 75A is liable on conviction to a fine not exceeding £1,000 or its equivalent in the currency of the Territory.

(15) Where a fine in this regulation is expressed to be a sum in sterling or its equivalent in the currency of the Territory, the Governor may issue guidance specifying how to calculate

the amount in the currency of the Territory which is to be considered equivalent to that sum in sterling.””

37. After paragraph 76 insert—

“76A. After regulation 102 (transitional provision: pending applications for trade licences) insert—

**“Transitional provision: Chapter 3 trade licences**

**102A.**—(1) Paragraph (2) applies in relation to a relevant licence which—

- (a) was in effect immediately before the relevant time, and
- (b) authorised an act—
  - (i) which would otherwise have been prohibited, immediately before the relevant time, under Chapter 3 of Part 5 (Trade), and
  - (ii) which would, on and after the relevant time, and in the absence of paragraphs (2) and (3), instead be prohibited under Chapter 2 of Part 5,

and such a licence is referred to in this regulation as “a Chapter 3 trade licence”.

(2) A Chapter 3 trade licence continues to have effect on and after the relevant time as if it had been issued to authorise an act which would otherwise be prohibited under Chapter 2 of Part 5.

(3) Any reference in an existing relevant licence to a provision of Chapter 3 of Part 5 is to be treated on and after the relevant time, as a reference to the corresponding provision of Chapter 2 of Part 5.

(4) For the purposes of this regulation—

“relevant licence” means a licence—

- (a) issued by the Governor under regulation 65 (trade licences), or
- (b) which has effect as if it were a licence which had been issued by the Governor under regulation 65 in accordance with regulation 101(2) (transitional provision: trade licences);

“relevant time” means the time at which the Russia (Sanctions) (EU Exit) (Amendment) (No. 3) Regulations 2022<sup>(6)</sup> come into force.””

38. In paragraph 78, at the end insert—

- “(e) in paragraph 9D(2) (diplomatic missions etc.), for “diplomatic mission or consular post of Russia in the United Kingdom” substitute “consular post of Russia in the Territory”;
- (f) in paragraph 9H(2) (diplomatic missions etc.), for “diplomatic mission or consular post of Russia in the United Kingdom” substitute “consular post of Russia in the Territory”;
- (g) in paragraph 9I (space), for “United Kingdom person” substitute “Territory person”;
- (h) in paragraph 9N(2) (financial regulation), for “United Kingdom, including the Financial Conduct Authority, the Prudential Regulation Authority and the Bank of England” substitute “Territory”;
- (i) in the heading of Part 1C (Sterling payments), at the end insert “etc.”;
- (j) in paragraph 9S(2) (diplomatic missions etc.), for “diplomatic mission or consular post of Russia in the United Kingdom” substitute “consular post of Russia in the Territory”;

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(6) S.I. 2022/195. This instrument came into force on 1st March 2022.



- (k) in paragraph 9T (space), for “United Kingdom person” substitute “Territory person”;
- (l) in paragraph 9V(2) (financial regulation), for “United Kingdom, including the Financial Conduct Authority, the Prudential Regulation Authority and the Bank of England” substitute “Territory”;
- (m) in paragraph 9W (financial stability), for “Bank of England, that is necessary or expedient in order to protect or enhance the stability of the financial system of United Kingdom” substitute “central monetary authority for the Territory, that is necessary or expedient in order to protect or enhance the stability of the financial system of the Territory”;
- (n) in paragraph 9X (safety and soundness of a firm), for “the relevant supervising authority or authorities, that is necessary or expedient in order to promote the safety and soundness of a firm which is supervised by the Bank of England, the Prudential Regulation Authority or the Financial Conduct Authority” substitute “the authority responsible for the regulation of financial services in the Territory, that is necessary or expedient in order to promote the safety and soundness of a firm which is supervised by that authority”.

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