STATUTORY INSTRUMENTS

2022 No. 818

The Sanctions (EU Exit) (Miscellaneous Amendments) (No. 2) Regulations 2022

Amendment of the Guinea (Sanctions) (EU Exit) Regulations 2019

11.—(1) The Guinea (Sanctions) (EU Exit) Regulations 2019(**1**) are amended as follows.

(2) In regulation 24 (finance reporting obligations: meaning of relevant firm)—

   (a) after paragraph (1)(g) insert—

   "(h)   a cryptoasset exchange provider;

   (i) a custodian wallet provider.";

   (b) after paragraph (3) insert—

   "(3A) In paragraph (1), a "cryptoasset exchange provider" means a firm or sole practitioner that by way of business provides one or more of the following services, including where the firm or sole practitioner does so as creator or issuer of any of the cryptoassets involved—

      (a) exchanging, or arranging or making arrangements with a view to the exchange of, cryptoassets for money or money for cryptoassets,

      (b) exchanging, or arranging or making arrangements with a view to the exchange of, one cryptoasset for another, or

      (c) operating a machine which utilises automated processes to exchange cryptoassets for money or money for cryptoassets.

   (3B) In paragraph (1), a "custodian wallet provider" means a firm or sole practitioner that by way of business provides services to safeguard, or to safeguard and administer—

      (a) cryptoassets on behalf of its customers, or

      (b) private cryptographic keys on behalf of its customers in order to hold, store and transfer cryptoassets.

   (3C) For the purposes of this regulation—

      (a) "cryptoasset" means a cryptographically secured digital representation of value or contractual rights that uses a form of distributed ledger technology and can be transferred, stored or traded electronically;

      (b) "money" means—

         (i) money in sterling,

         (ii) money in any other currency, or

         (iii) money in any other medium of exchange,

   but does not include a cryptoasset; and

(**1**)   S.I. 2019/1145, amended by S.I. 2020/590; S.I. 2020/951; and by the Sentencing Act 2020 (c. 17).

      (c)   in sub-paragraphs (a) to (c) of paragraph (3A), "cryptoasset" includes a right to, or interest in, the cryptoasset.".

(3) After regulation 28 (disclosure of information) insert—

"Finance: disclosure to the Treasury

28A.—(1) A relevant public authority may disclose information to the Treasury if the disclosure is made for the purpose of enabling or assisting the Treasury to discharge any of its functions in connection with sanctions.

(2) In this regulation—

"relevant public authority" means—

(a)   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,

(b)   any local authority,

(c)   any police officer,

(d)   the Financial Conduct Authority, the Prudential Regulation Authority, the Bank of England or any other regulatory body in the United Kingdom, or

(e)   any other person exercising functions of a public nature;

"local authority" means—

(a)   in relation to England—

    (i)   a county council,

    (ii)   a district council,

    (iii)   a London Borough council,

    (iv)   the Common Council of the City of London in its capacity as a local authority,

    (v)   the Council of the Isles of Scilly, or

    (vi)   an eligible parish council within the meaning of section 1(2) of the Local Government Act 2000(**2**),

(b)   in relation to Wales, a county council, a county borough council or a community council,

(c)   in relation to Scotland, a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994(**3**), or

(d)   in relation to Northern Ireland, a district council.".

(4) In regulation 29 (Part 6: Supplementary)—

(a) in paragraph (1), after "under regulation 28" insert "or 28A";

(b) in paragraph (2), for "that regulation" substitute "those regulations";

(c) in paragraph (4)—

    (i) for "Regulation 28 does" substitute "Regulations 28 and 28A do";

    (ii) for "that regulation" substitute "those regulations".

(**2**)   2000 c. 22.
(**3**)   1994 c. 39.