

2016 No. 503

CUSTOMS

The Export Control (Iran Sanctions) Order 2016

Made - - - - *12th April 2016*

Laid before Parliament *15th April 2016*

Coming into force - - *6th May 2016*

The Secretary of State is a Minister designated for the purposes of section 2(2) of the European Communities Act 1972(a) in relation to measures relating to the interruption or reduction, in part or completely, of economic relations with one or more countries which are not Member States(b).

This Order makes provision for a purpose mentioned in section 2(2) of the European Communities Act 1972 and it appears to the Secretary of State that it is expedient for certain references to provisions of EU instruments to be construed as references to those provisions as amended from time to time.

The Secretary of State makes this Order in exercise of the powers conferred by section 2(2) of, and paragraph 1A of Schedule 2 to, the European Communities Act 1972(c) and by sections 1, 2, 3, 4, 5 and 7 of the Export Control Act 2002(d).

PART 1

Introductory

Citation, commencement and revocation

1.—(1) This Order may be cited as the Export Control (Iran Sanctions) Order 2016 and comes into force on 6th May 2016.

(2) The following Orders are revoked—

- (a) the Export Control (Iran Sanctions) Order 2012(e);
- (b) the Export Control (Iran Sanctions) (Amendment) Order 2013(f); and
- (c) the Export Control (Iran Sanctions) (Amendment) Order 2015(g).

(a) 1972 c.68; section 2(2) was amended by section 27(1) of the Legislative and Regulatory Reform Act 2006 (c.51) and Part 1 of the Schedule to the European Union (Amendment) Act 2008 (c.7).

(b) S.I. 1994/757, to which there are amendments not relevant to this Order.

(c) Paragraph 1A of Schedule 2 was inserted by section 28 of the Legislative and Regulatory Reform Act 2006 and amended by the European Union (Amendment) Act 2008, Schedule, Part 1.

(d) 2002 c.28.

(e) S.I. 2012/1243, as amended by S.I. 2013/340 and S.I. 2015/1625.

(f) S.I. 2013/340.

(g) S.I. 2015/1625.

Application

2. An offence may be committed under this Order—
- (a) in the United Kingdom by any person;
 - (b) elsewhere by any person who is a United Kingdom person within the meaning of section 11 of the Export Control Act 2002.

Interpretation

- 3.—(1) In this Order—

“the 1979 Act” means the Customs and Excise Management Act 1979^(a);

“EU authorisation” means an authorisation granted under Article 2a, 3a, 10d and 15a of the Iran Sanctions Regulation or under Article 1b or 1c of the Iran Human Rights Regulation;

“the Iran Human Rights Regulation” means Council Regulation (EU) 359/2011^(b) concerning restrictive measures directed against certain persons, entities and bodies in view of the situation in Iran and a reference to an Annex to that Regulation is a reference to that Annex as amended from time to time;

“the Iran Sanctions Regulation” means Council Regulation (EU) 267/2012^(c) concerning restrictive measures against Iran and repealing Regulation (EU) No 961/2010, and a reference to an Annex to that Regulation is a reference to that Annex as amended from time to time;

“procurement” means procurement, other than by import into the United Kingdom, by whatever means, including but not limited to by purchase, import or transport.

(2) An expression used in both this Order and in the Iran Sanctions Regulation or the Iran Human Rights Regulation has the meaning that it bears in those Regulations.

PART 2

Offences relating to prohibitions in the Iran Sanctions Regulation

Offences related to goods and technology listed in Annex I and investment in Iranian uranium mining and materials listed in Part 1 of the Nuclear Suppliers Group list

4. A person commits an offence and may be arrested if that person—
- (a) is concerned in an activity, other than the export or the import of goods, for which EU authorisation is required by any of the following Articles of the Iran Sanctions Regulation—
 - (i) Article 2a(1)(a) (authorisation required for the sale, supply, etc. of the goods and technology listed in Annex I to any Iranian person, entity or body or for use in Iran);
 - (ii) Article 2a(1)(b) (authorisation required for the provision of technical assistance or brokering services related to goods and technology listed in Annex I to any Iranian person, entity or body, or for use in Iran);
 - (iii) Article 2a(1)(c) (authorisation required for the provision of financing or financial assistance related to goods and technology listed in Annex I to any Iranian person, entity or body, or for use in Iran);
 - (iv) Article 2a(1)(d) (authorisation required before entering into an arrangement with an Iranian person, entity or body that would enable such person, entity or body to

(a) 1979. c.2.

(b) OJ No L 100, 14.4.2011, p.1. This Regulation was last amended by Council Implementing Regulation (EU) 2015/548 (OJ No L 92, 8.4.2015, p.1).

(c) OJ No L 88, 24.3.2012, p.1. This Regulation was last amended by Council Regulation (EU) 2015/1861 (OJ No L 274, 18.10.2015, p.1).

participate in or increase its participation in the commercial activities listed in Articles 2a(1)(d)(i) and (ii));

- (v) Article 2a(1)(e) (authorisation required for purchase, import or transport from Iran of goods and technology listed in Annex I);
- (b) does not have the required EU authorisation; and
- (c) is knowingly concerned in that activity with intent to evade a prohibition in those Articles.

Offences related to goods and technology listed in Annex II

5. A person commits an offence and may be arrested if that person—

- (a) is concerned in an activity, other than the export or the import of goods, for which EU authorisation is required by any of the following Articles of the Iran Sanctions Regulation—
 - (i) Article 3a(1)(a) (authorisation required for the sale, supply, etc. of the goods and technology listed in Annex II to any Iranian person, entity or body or for use in Iran);
 - (ii) Article 3a(1)(b) (authorisation required for the provision of technical assistance or brokering services related to goods and technology listed in Annex II to any Iranian person, entity or body, or for use in Iran);
 - (iii) Article 3a(1)(c) (authorisation required for the provision of financing or financial assistance related to goods and technology listed in Annex II to any Iranian person, entity or body, or for use in Iran);
 - (iv) Article 3a(1)(d) (authorisation required before entering into any arrangement with an Iranian person, entity or body that would enable such person, entity or body to participate in or increase its participation in commercial activities involving technologies listed in Annex II);
 - (v) Article 3a(1)(e) (authorisation required for the purchase, import or transport from Iran of goods and technology listed in Annex II);
- (b) does not have the required EU authorisation; and
- (c) is knowingly concerned in that activity with intent to evade a prohibition in those Articles.

Offences related to goods and technology listed in Annex III or any other item that could contribute to the development of nuclear weapon delivery systems

6. Unless authorised by an EU authorisation, a person who is knowingly concerned in an activity, other than the export or the import of goods, prohibited by any of the following Articles of the Iran Sanctions Regulation with intent to evade a prohibition in that Article commits an offence and may be arrested—

- (a) Article 4a(1) (prohibition on the sale, supply, etc. of goods and technology listed in Annex III to any Iranian person, entity or body or for use in Iran) insofar as it concerns the goods and technology listed in Annex III;
- (b) Article 4b(a) (prohibition on the provision of technical assistance or brokering services related to the goods and technology listed in Annex III to any Iranian person, entity or body or for use in Iran);
- (c) Article 4b(b) (prohibition on the provision of financing or financial assistance related to the goods and technology listed in Annex III to any Iranian person, entity or body, or for use in Iran);
- (d) Article 4b(c) (prohibition on the entering into any arrangement with an Iranian person, entity or body, that would enable such person, entity or body to participate in or increase its participation in commercial activities involving technologies listed in Annex III);

- (e) Article 4c (prohibition on the purchase, import or transport from Iran of the goods and technology listed in Annex III).

Offences related to goods and technology listed in the Common Military List

7.—(1) Unless authorised by an EU authorisation, a person who is knowingly concerned in an activity prohibited by any of the following Articles of the Iran Sanctions Regulation with intent to evade a prohibition in that Article commits an offence and may be arrested—

- (a) Article 5(a) (prohibition on the provision of technical assistance, brokering services and other services related to the goods and technology listed in the Common Military List to any Iranian person, entity or body or for use in Iran);
- (b) Article 5(b) (prohibition on the provision of financing or financial assistance related to the goods and technology listed in the Common Military List to any Iranian person, entity or body or for use in Iran);
- (c) Article 5(c) (prohibition on the entering into any arrangement for the participation or increase in participation in any Iranian person, entity or body engaged in the manufacture of goods or technology listed in the Common Military List).

(2) Unless authorised by a licence granted by the Secretary of State under this article or under the Export Control Order 2008^(a), the procurement of goods and technology listed in the Common Military List from Iran is prohibited, whether or not originating in the territory of Iran.

(3) A person who is knowingly concerned in an activity prohibited by paragraph (2) with intent to evade that prohibition commits an offence and may be arrested.

Offences related to the software listed in Annex VIIA

8. A person commits an offence and may be arrested if that person—

- (a) is concerned in an activity, other than the export or the import of goods, for which EU authorisation is required by any of the following Articles of the Iran Sanctions Regulation—
 - (i) Article 10d(1)(a) (authorisation required for the sale, supply, etc. of the software listed in Annex VIIA to any Iranian person, entity or body or for use in Iran);
 - (ii) Article 10d(1)(b) (authorisation required for the provision of technical assistance or brokering services related to the software listed in Annex VIIA to any Iranian person, entity or body, or for use in Iran);
 - (iii) Article 10d(1)(c) (authorisation required for the provision of financing or financial assistance related to the software listed in Annex VIIA to any Iranian person, entity or body, or for use in Iran);
- (b) does not have the required EU authorisation; and
- (c) is knowingly concerned in that activity with intent to evade a prohibition in those Articles.

Offences related to graphite and raw or semi-finished metals as listed in Annex VIIB

9. A person commits an offence and may be arrested if that person—

- (a) is concerned in an activity, other than the export or the import of goods, for which EU authorisation is required by any of the following Articles of the Iran Sanctions Regulation—
 - (i) Article 15a(1)(a) (authorisation required for the sale, supply, etc. of graphite and raw or semi-finished metals as listed in Annex VIIB to any Iranian person, entity or body or for use in Iran);

^(a) S.I. 2008/3231. Relevant amending instruments are S.I. 2009/2151 and 2012/1910.

- (ii) Article 15a(1)(b) (authorisation required for the provision of technical assistance or brokering services related to graphite and raw or semi-finished metals as listed in Annex VIIB to any Iranian person, entity or body, or for use in Iran);
- (iii) Article 15a(1)(c) (authorisation required for the provision of financing or financial assistance related to graphite and raw or semi-finished metals as listed in Annex VIIB to any Iranian person, entity or body, or for use in Iran);
- (b) does not have the required EU authorisation; and
- (c) is knowingly concerned in that activity with intent to evade a prohibition in those Articles.

PART 3

Offences relating to prohibitions in the Iran Human Rights Regulation

Offences related to equipment listed in Annex III

10. Unless authorised by an EU authorisation, a person who is knowingly concerned in an activity, other than the export of goods, prohibited by any of the following Articles of the Iran Human Rights Regulation with intent to evade a prohibition in those Articles commits an offence and may be arrested—

- (a) Article 1a(1)(a) (prohibition on the sale, supply, etc. of equipment which might be used for internal repression as listed in Annex III to any person, entity or body in Iran or for use in Iran);
- (b) Article 1a(1)(b) (prohibition on the provision of technical assistance or brokering services related to equipment which might be used for internal repression as listed in Annex III to any person, entity or body in Iran or for use in Iran);
- (c) Article 1a(1)(c) (prohibition on the provision of financing or financial assistance related to equipment which might be used for internal repression as listed in Annex III to any person, entity or body in Iran or for use in Iran).

Offences related to equipment, technology and software listed in Annex IV

11. A person commits an offence and may be arrested if that person—

- (a) is concerned in an activity for which authorisation is required by any of the following Articles of the Iran Human Rights Regulation—
 - (i) Article 1b(1) (authorisation required for the sale, supply, etc. of equipment, technology or software identified in Annex IV to any person, entity or body in Iran or for use in Iran);
 - (ii) Article 1c(1)(a) (authorisation required for the provision of technical assistance or brokering services related to the equipment, technology and software identified in Annex IV to any person, entity or body in Iran or for use in Iran);
 - (iii) Article 1c(1)(b) (authorisation required for the provision of financing or financial assistance related to the equipment, technology or software identified in Annex IV to any person, entity or body in Iran or for use in Iran);
 - (iv) Article 1c(1)(c) (authorisation required for the provision of telecommunications or internet monitoring or interception services of any kind to, or for the direct or indirect benefit of, Iran’s government, public bodies, corporations and agencies or any person or entity acting on their behalf or at their direction);
- (b) does not have the required EU authorisation; and
- (c) is knowingly concerned in that activity with intent to evade a prohibition in those Articles.

PART 4

Supplementary provisions as to offences

Circumvention of prohibitions in the Iran Sanctions Regulation

12.—(1) A person commits an offence and may be arrested where that person participates, knowingly and intentionally, in activities the object or effect of which is (whether directly or indirectly)—

- (a) to circumvent any of the prohibitions in Articles 2a(1)(a), 2a(1)(b), 3a(1)(a), 3a(1)(b), 4a, 4b(a), 5(a), 10d(1)(a), 10d(1)(b), 15a(1)(a) and 15a(1)(b) of the Iran Sanctions Regulation, or
- (b) to enable or facilitate the contravention of any such prohibition.

(2) A person commits an offence and may be arrested where that person participates, knowingly and intentionally, in activities the object or effect of which is (whether directly or indirectly)—

- (a) to circumvent any of the prohibitions in Articles 2a(1)(c), 2a(1)(d), 2a(1)(e), 3a(1)(c), 3a(1)(d), 3a(1)(e), 4b(b), 4b(c), 4c, 5(b), 5(c), 10d(1)(c) and 15a(1)(c) of the Iran Sanctions Regulation, or
- (b) to enable or facilitate the contravention of any such prohibition.

Circumvention of prohibitions in the Iran Human Rights Regulation

13.—(1) A person commits an offence and may be arrested where that person participates, knowingly and intentionally, in activities the object or effect of which is (whether directly or indirectly)—

- (a) to circumvent any of the prohibitions in Articles 1a(1)(a), 1a(1)(b), 1b(1) and 1c(1)(a) of the Iran Human Rights Regulation, or
- (b) to enable or facilitate the contravention of any such prohibition.

(2) A person commits an offence and may be arrested where that person participates, knowingly and intentionally, in activities the object or effect of which is (whether directly or indirectly)—

- (a) to circumvent any of the prohibitions in Articles 1a(1)(c) or 1c(1)(b) and 1c(1)(c) of the Iran Human Rights Regulation, or
- (b) to enable or facilitate the contravention of any such prohibition.

Offences related to an EU authorisation or a licence under this Order

14.—(1) A person commits an offence and may be arrested who, for the purpose of obtaining an EU authorisation or a licence under this Order—

- (a) makes any statement or furnishes any document or information which to that person's knowledge is false in a material particular; or
- (b) recklessly makes any statement or furnishes any document or information which is false in a material particular.

(2) An EU authorisation or a licence under this Order granted in connection with the application for which the false statement was made or the false document or information furnished is void from the time it was granted.

(3) A person who, having acted under the authority of an EU authorisation or a licence under this Order, fails to comply with a requirement or condition to which the EU authorisation or the licence is subject commits an offence and may be arrested, unless—

- (a) the EU authorisation was modified after the completion of the act authorised; and
- (b) the alleged failure to comply would not have been a failure had the EU authorisation not been so modified.

PART 5

Enforcement and penalties

Penalties

15.—(1) A person guilty of an offence under article 4(a)(i), 4(a)(ii), 5(a)(i), 5(a)(ii), 6(a), 6(b), 7(1)(a), 8(a)(i), 8(a)(ii), 9(a)(i), 9(a)(ii), 10(a), 10(b), 11(a)(i), 11(a)(ii), 12(1) or 13(1) of this Order is liable—

- (a) on summary conviction—
 - (i) in England and Wales, to imprisonment for a term not exceeding six months or to a fine, or to both;
 - (ii) in Scotland or Northern Ireland, to imprisonment for a term not exceeding six months or to a fine not exceeding the statutory maximum, or to both;
- (b) on conviction on indictment, to imprisonment for a term not exceeding ten years or to a fine, or to both.

(2) In relation to an offence committed after the commencement of section 154(1) of the Criminal Justice Act 2003(a), for “six months” in paragraph (1)(a)(i) substitute “twelve months”.

(3) A person guilty of an offence under article 4(a)(iii), 4(a)(iv), 4(a)(v), 5(a)(iii), 5(a)(iv), 5(a)(v), 6(c), 6(d), 6(e), 7(1)(b), 7(1)(c), 7(3), 8(a)(iii), 9(a)(iii), 10(c), 11(a)(iii), 11(a)(iv), 12(2), 13(2) or 14 of this Order is liable—

- (a) on summary conviction, to imprisonment for a term not exceeding three months or to a fine, or to both;
- (b) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine, or to both.

(4) In the case of an offence committed under the 1979 Act in connection with a prohibition of exportation in Article 2a(1)(a), 3a(1)(a), 4a(1), 10d(1)(a) or 15a(1)(a) of the Iran Sanctions Regulation or Article 1a(1)(a) or 1b(1) of the Iran Human Rights Regulation, sections 68(3)(b) and 170(3)(b) of the 1979 Act have effect as if for the words “7 years” there were substituted the words “10 years”.

(5) In the case of an offence committed under the 1979 Act in connection with a prohibition on importation in Article 2a(1)(e), 3a(1)(e) or 4c of the Iran Sanctions Regulation or article 7(3) of this Order, sections 50(4)(b) and 170(3)(b) of the 1979 Act have effect as if for the words “7 years” there were substituted the words “10 years”.

Application of the 1979 Act

16.—(1) Where the Commissioners for Her Majesty’s Revenue and Customs investigate or propose to investigate any matter with a view to determining—

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

the matter shall be treated as an assigned matter.

(2) Section 77A of the 1979 Act (provisions as to information powers)(b) applies to a person concerned in an activity which, if not authorised by an EU authorisation, would contravene Article 2a, 3a, 10d or 15a of the Iran Sanctions Regulation or Article 1b or 1c of the Iran Human Rights Regulation and accordingly references in section 77A of the 1979 Act to importation or exportation shall be read as including any such activity.

(a) 2003 c.44. At the date of this Order, section 154(1) had not been commenced.

(b) Section 77A was inserted by the Finance Act 1987 (c.16), section 10 and amended by Schedule 1, paragraph 7 of the Customs and Excise (Single Market etc.) Regulations 1992 (S.I. 1992/3095).

(3) Section 138 of the 1979 Act (provision as to arrest of persons)(a) applies to the arrest of a person for an offence under this Order as it applies to the arrest of a person for an offence under the customs and excise Acts.

(4) Sections 145(b), 146(c), 146A(d), 147(e), 148, 150(f), 151(g), 152(h), 154(i), and 155(j) of the 1979 Act (proceedings for offences, mitigation of penalties, proof and other matters) apply in relation to offences and penalties under this Order as they apply in relation to offences and penalties under the customs and excise Acts.

(5) “The customs and excise Acts” and “assigned matter” have the same meanings as in section 1 of the 1979 Act.

PART 6

Miscellaneous amendments

Amendment to the Export Control (Russia, Crimea and Sevastopol Sanctions) Order 2014

17.—(1) The Export Control (Russia, Crimea and Sevastopol Sanctions) Order 2014(k) is amended as follows.

(2) For article 5, substitute—

“**5.—**(1) A person who is knowingly concerned in an activity prohibited by any of the following Articles of the Russian Sanctions Regulation with intent to evade a prohibition in those Articles commits an offence and may be arrested—

- (a) Article 4(1)(a) (prohibition on provision of technical assistance or brokering services related to the goods and technology listed in the Common Military List, to any natural or legal person, entity or body in Russia or for use in Russia);
- (b) Article 4(1)(b) (prohibition on the provision of financing or financial assistance related to the goods and technology listed in the Common Military List, to any natural or legal person, entity or body in Russia or for use in Russia).

(2) A person commits an offence and may be arrested if that person—

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- (a) Section 138 was amended by the Police and Criminal Evidence Act 1984 (c.60), sections 114(1) and 119, Schedule 6, paragraph 37 and Schedule 7, Part 1; by the Finance Act 1988 (c.39), section 11; by the Police and Criminal Evidence (Northern Ireland) Order 1989 (S.I. 1989/1341), article 90(1) and Schedule 6, paragraph 9; and by the Serious Organised Crime and Police Act 2005 (c.15), Schedule 7, paragraph 54.
 - (b) Section 145 was amended by the Police and Criminal Evidence Act 1984, section 114(1); by the Commissioners for Revenue and Customs Act 2005 (c.11), sections 50(6), 52(2), Schedule 4, paragraphs 20 and 23; and by the Public Bodies (Merger of the Director of Public Prosecutions and the Director of Revenue and Customs Prosecutions) Order 2014/834, Schedule 2, paragraph 2(a).
 - (c) Section 146 was modified by the Channel Tunnel (Customs and Excise) Order 1990 (S.I. 1990/2167), article 4 and the Schedule, paragraph 22.
 - (d) Section 146A was inserted by the Finance Act 1989 (c.26), section 16(1) and amended by the Commissioners for Revenue and Customs Act 2005, section 50(6), Schedule 4, paragraphs 20 and 24 and by the Public Bodies (Merger of the Director of Public Prosecutions and the Director of Revenue and Customs Prosecutions) Order 2014/834, Schedule 2, paragraph 2(b).
 - (e) Section 147 was amended by the Magistrates’ Courts Act 1980 (c.43), section 154 and Schedule 7, paragraph 176; by the Criminal Justice Act 1982 (c.48), sections 77 and 78, Schedule 14, paragraph 42 and Schedule 16; by the Finance Act 1989, section 16(2), (4), 187, Schedule 17, Part I; and by the Criminal Justice Act 2003 (c.44) Schedule 37(4), paragraph 1.
 - (f) Section 150 was amended by the Commissioners for Revenue and Customs Act 2005, Schedule 4, paragraphs 20 and 25 and by the Public Bodies (Merger of the Director of Public Prosecutions and the Director of Revenue and Customs Prosecutions) Order 2014/834, Schedule 2, paragraph 2(a).
 - (g) Section 151 was amended by the Magistrates’ Courts Act 1980, section 154 and Schedule 7, paragraph 177.
 - (h) Section 152 was amended by the Commissioners for Revenue and Customs Act 2005, sections 50(6) and 52(1) and (2), Schedule 4, paragraphs 20 and 26 and Schedule 5.
 - (i) Section 154 was modified by the Channel Tunnel (Customs and Excise) Order 1990 (S.I. 1990/2167), article 4 and the Schedule, paragraph 23.
 - (j) Section 155 was amended by the Commissioners for Revenue and Customs Act 2005, sections 50(6), 52(2), Schedule 4, paragraphs 20, 21(j) and 27 and Schedule 5.
 - (k) S.I. 2014/2357, relevant amending instruments are S.I. 2014/2932, S.I. 2015/97 and S.I. 2015/1933.

- (a) is concerned in an activity for which EU authorisation is required by Article 4(2b) of the Russia Sanctions Regulation (authorisation required for the provision of technical assistance, financing or financial assistance related to the sale, supply, etc. and import, etc. of Hydrazine, the import, etc. of Unsymmetrical dimethyl hydrazine, or the sale, supply, etc. and import, etc. of Monomethyl hydrazine, destined for the use of certain launchers) either—
 - (i) insofar as that Article concerns the provision of technical assistance; or
 - (ii) insofar as that Article concerns the provision of financing or financial assistance;
- (b) does not have the required EU authorisation; and
- (c) is knowingly concerned in that activity with intent to evade the prohibition in that Article.”.

Amendment to the Export Control Order 2008 in relation to the Central African Republic

18. The Export Control Order 2008 is amended as follows—

- (a) in Part 4 of Schedule 4, omit “Central African Republic”;
- (b) in Part 2 of Schedule 4, after “Burma (Myanmar)”, insert “Central African Republic”.

PART 7

General

Review

19.—(1) The Secretary of State must from time to time—

- (a) carry out a review of this Order,
- (b) set out the conclusions of the review in a report, and
- (c) publish the report.

(2) In carrying out the review the Secretary of State must, so far as is reasonable, have regard to the rules on penalties applicable to infringements of the provisions of the Iran Sanctions Regulation and the Iran Human Rights Regulation and the measures taken to implement them in other member States.

(3) The report must in particular—

- (a) set out the objectives intended to be achieved by the rules on penalties applicable to infringements of the provisions of the Iran Sanctions Regulation and the Iran Human Rights Regulation established by this Order and the measures taken to implement them,
- (b) assess the extent to which those objectives are achieved, and
- (c) assess whether those objectives remain appropriate and, if so, the extent to which they could be achieved with a system that imposes less regulation.

(4) The first report under this Order must be published before the end of the period of five years beginning with the day on which this Order comes into force.

(5) Reports under this Order are afterwards to be published at intervals not exceeding five years.

Anna Soubry

Minister of State for Small Business, Industry and Enterprise
Department for Business, Innovation and Skills

12th April 2016

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for the enforcement of trade restrictions against Iran specified in Council Regulation (EU) No 267/2012 concerning restrictive measures against Iran (OJ No L 88, 24.3.2012, p.1) (the “Iran Sanctions Regulation”), as last amended by Council Regulation (EU) No 2015/1861 (OJ L 274, 18.10.2015, p.1). The Order also provides for the enforcement of trade restrictions in Council Regulation (EU) 359/2011 concerning restrictive measures directed against certain persons, entities and bodies in view of the situation in Iran (OJ L 100, 14.4.2011, p.1) (the “Iran Human Rights Regulation”).

This Order revokes and replaces the Export Control (Iran Sanctions) Order 2012 (S.I. 2012/1243) (the “2012 Order”) and amending instruments. The 2012 Order implemented the Iran Sanctions Regulation (before it was most recently amended). The 2012 Order also implemented the Iran Human Rights Regulation, the relevant provisions of which have not been amended.

The Order makes a minor amendment to the Export Control (Russia, Crimea and Sevastopol Sanctions) Order 2014 and to the Export Control Order 2008.

Articles 4 to 9 create offences for contravention of the trade restrictions in the Iran Sanctions Regulation. Article 7(2) prohibits the procurement of military goods from Iran and Article 7(3) creates an offence for breach of this prohibition.

Articles 10 and 11 create offences for contravention of the trade restrictions in the Iran Human Rights Regulation.

Article 12 creates offences for the circumvention of the trade restrictions in the Iran Sanctions Regulation. Article 13 creates offences for the circumvention of the trade restrictions in the Iran Human Rights Regulation.

Article 14 supplements the provisions of the Iran Sanctions Regulation and of the Iran Human Rights Regulation that allow a competent authority to authorise activities that are otherwise prohibited. Article 14(1) makes it an offence knowingly and recklessly to provide false information for the purpose of obtaining an authorisation or a licence under the Order and Article 14(3) makes it an offence to fail to comply with authorisation or licence requirements or conditions.

Article 15 sets out the penalties relating to the offences in the Order.

Article 16 provides for the ancillary provisions which apply to the enforcement of customs and excise legislation to apply to the enforcement of this Order.

An impact assessment has not been produced for this instrument as it has no or minimal impact on business, charities or voluntary bodies. A copy of the Explanatory Memorandum is published alongside the Order on www.legislation.gov.uk. Further information is available from the Export Control Organisation, BIS, 1 Victoria Street, London SW1H 0ET and on the gov.uk website (www.gov.uk).

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