

**EXPLANATORY MEMORANDUM TO**  
**THE EXPORT CONTROL (IRAN SANCTIONS) (AMENDMENT) ORDER**  
**2015**

**2015 No. 1625**

1. This explanatory memorandum has been prepared by the Department for Business, Innovation and Skills and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. **Purpose of the instrument**

2.1 The Export Control (Iran Sanctions) (Amendment) Order 2015 makes provision relating to the enforcement of the trade restrictions imposed on Iran by Council Regulation (EU) No 267/2012, as amended by Council Regulation (EU) 2015/1327.

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

3.1 None

4. **Legislative Context**

4.1 On 31 July 2015, the European Council adopted Decision (CFSP) 2015/1336 concerning restrictive measures against Iran, amending Council Decision 2010/413/CFSP. On the same date, the Council adopted Council Regulation (EU) 2015/1327 so as to implement all those elements of the 31 July 2015 Decision which fall within EU competence. Council Regulation (EU) 2015/1327 amends Council Regulation (EU) No 267/2012 of 23 March 2012 (the “Iran Regulation”).

5. **Territorial Extent and Application**

5.1 This instrument applies to all of the United Kingdom.

6. **European Convention on Human Rights**

6.1 As this instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. **Policy background**

- *What is being done and why*

7.1 On 14 July 2015 the E3+3 (UK, France, Germany plus USA, Russia & China) and Iran reached an agreement on the Iranian nuclear issue. The terms of this agreement are set out in a Joint Comprehensive Plan of Action (JCPOA) under the terms of which Iran will take certain steps to ensure that its nuclear programme will be for purely peaceful uses in return for the gradual, phased, lifting of UN, EU and other international sanctions.

7.2 The first stage of the JCPOA requires Iran to begin dismantling its uranium enrichment centrifuges, to re-design the Arak nuclear reactor so that it cannot produce weapons-grade plutonium, and to reduce its stockpile of enriched uranium. To facilitate these actions and to otherwise help Iran prepare for implementation of the JCPOA the EU has amended its sanctions against Iran so that Member States may authorise, on a case-by-case basis, the supply of goods and services and the provision of financial assistance and investment that was previously prohibited under the sanctions. The Order provides for the granting of such authorisation by the Secretary of State and clarifies that any actions carried out under the authorisation do not constitute a breach of the sanctions.

## **8. Consultation outcome**

8.1 The Regulations consist of a technical implementation of a directly applicable EU Regulation. Accordingly, no consultation was necessary.

## **9. Guidance**

9.1 BIS will consider publishing a Notice to Exporters to explain the purpose and effect of the changes to the Iran Regulation.

## **10. Impact**

1. 10.1 The Order amends the provisions relating to the granting of authorisations and for the offences and penalties for breaches of the restrictive measures in the Iran Regulation. A regulatory impact assessment has not been prepared for this instrument as it has no or minimal impact on business, charities or voluntary bodies.

10.2 There is no or minimal impact on the public sector.

## **11. Regulating small business**

11.1 This legislation applies to small business.

## **12. Monitoring & review**

12.1 The Department will monitor the implementation of the JCPOA and the actions taken by the EU to give effect to it and will make any necessary changes to UK legislation.

### **13. Contact**

13.1 Chris Chew at the Department for Business, Innovation and Skills, Tel: 020 7215 8088 or email: [chris.chew@bis.gsi.gov.uk](mailto:chris.chew@bis.gsi.gov.uk) can answer any queries regarding the instrument.

**Department for Business, Innovation and Skills**  
**August 2015**