

Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom

COUNCIL REGULATION (EC) No 2271/96

of 22 November 1996

protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 73c, 113 and 235 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament<sup>(1)</sup>,

Whereas the objectives of the Community include contributing to the harmonious development of world trade and to the progressive abolition of restrictions on international trade;

Whereas the Community endeavours to achieve to the greatest extent possible the objective of free movement of capital between Member States and third countries, including the removal of any restrictions on direct investment — including investment in real estate — establishment, the provision of financial services or the admission of securities to capital markets;

Whereas a third country has enacted certain laws, regulations, and other legislative instruments which purport to regulate activities of natural and legal persons under the jurisdiction of the Member State;

Whereas by their extra-territorial application such laws, regulations and other legislative instruments violate international law and impede the attainment of the aforementioned objectives;

Whereas such laws, including regulations and other legislative instruments, and actions based thereon or resulting therefrom affect or are likely to affect the established legal order and have adverse effects on the interests of the Community and the interests of natural and legal persons exercising rights under the Treaty establishing the European Community;

Whereas, under these exceptional circumstances, it is necessary to take action at Community level to protect the established legal order, the interests of the Community and the interests of the said natural and legal persons, in particular by removing, neutralising, blocking or otherwise countering the effects of the foreign legislation concerned;

Whereas the request to supply information under this Regulation does not preclude a Member State from requiring information of the same kind to be provided to the authorities of that State;

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**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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Whereas the Council has adopted the Joint Action 96/668/CFSP of 22 November 1996<sup>(2)</sup> in order to ensure that the Member States take the necessary measures to protect those natural and legal persons whose interests are affected by the aforementioned laws and actions based thereon, insofar as those interests are not protected by this Regulation;

Whereas the Commission, in the implementation of this Regulation, should be assisted by a committee composed of representatives of the Member States;

Whereas the actions provided for in this Regulation are necessary to attain objectives of the Treaty establishing the European Community;

Whereas for the adoption of certain provisions of this Regulation the Treaty does not provide powers other than those of Article 235,

HAS ADOPTED THIS REGULATION:

#### *Article 1*

This Regulation provides protection against and counteracts the effects of the extra-territorial application of the laws specified in the Annex of this Regulation, including regulations and other legislative instruments, and of actions based thereon or resulting therefrom, where such application affects the interests of persons, referred to in Article 11, engaging in international trade and/or the movement of capital and related commercial activities between the [<sup>F1</sup>United Kingdom] and [<sup>F2</sup>other] countries.

[<sup>F3</sup>The [<sup>F4</sup>Secretary of State may by regulations made by statutory instrument amend the Annex to this Regulation to add] laws, regulations or other legislative instruments of [<sup>F5</sup>other] countries having extraterritorial application and causing adverse effects <sup>F6</sup>..., and to delete laws, regulations or other legislative instruments when they no longer have such effects.]

#### **Textual Amendments**

- F1** Words in Art. 1 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(a)(i)**
- F2** Word in Art. 1 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(a)(ii)**
- F3** Substituted by [Regulation \(EU\) No 37/2014 of the European Parliament and of the Council of 15 January 2014 amending certain regulations relating to the common commercial policy as regards the procedures for the adoption of certain measures](#).
- F4** Words in Art. 1 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(b)(i)**
- F5** Word in Art. 1 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(b)(ii)**
- F6** Words in Art. 1 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(2)(b)(iii)**

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**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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## Article 2

Where the economic and/or financial interests of any person referred to in Article 11 are affected, directly or indirectly, by the laws specified in the Annex or by actions based thereon or resulting therefrom, that person shall inform the [F7Secretary of State] accordingly within 30 days from the date on which it obtained such information; insofar as the interests of a legal person are affected, this obligation applies to the directors, managers and other persons with management responsibilities<sup>(3)</sup>.

At the request of the [F7Secretary of State], such person shall provide all information relevant for the purposes of this Regulation in accordance with the request from the [F7Secretary of State] within 30 days from the date of the request.

F8

### Textual Amendments

- F7** Words in Art. 2 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(3)(a)**
- F8** Words in Art. 2 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(3)(b)**

## Article 3

All information supplied in accordance with Article 2 shall only be used for the purposes for which it was provided.

Information which is by nature confidential or which is provided on a confidential basis shall be covered by the obligation of professional secrecy. It shall not be disclosed by the [F9Secretary of State] without the express permission of the person providing it.

Communication of such information shall be permitted where the [F9Secretary of State] is obliged or authorized to do so, in particular in connection with legal proceedings. Such communication must take into account the legitimate interests of the person concerned that his or her business secrets should not be divulged.

This Article shall not preclude the disclosure of general information by the [F9Secretary of State]. Such disclosure shall not be permitted if this is incompatible with the original purpose of such information.

In the event of a breach of confidentiality, the originator of the information shall be entitled to obtain that it be deleted, disregarded or rectified, as the case may be.

### Textual Amendments

- F9** Words in Art. 3 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(4)**

## Article 4

No judgment of a court or tribunal and no decision of an administrative authority located outside the [F10United Kingdom] giving effect, directly or indirectly, to the laws

*Changes to legislation: There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)*

specified in the Annex or to actions based thereon or resulting there from, shall be recognized or be enforceable in any manner.

#### Textual Amendments

- F10** Words in Art. 4 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(5)**

#### Article 5

No person referred to in Article 11 shall comply, whether directly or through a subsidiary or other intermediary person, actively or by deliberate omission, with any requirement or prohibition, including requests of foreign courts, based on or resulting, directly or indirectly, from the laws specified in the Annex or from actions based thereon or resulting therefrom.

[<sup>F11</sup>The Secretary of State may by regulations made by statutory instrument—

- a authorise persons to comply fully or partially with any requirement or prohibition referred to in the first paragraph of this Article to the extent that non-compliance would seriously damage their interests or those of the United Kingdom;
- b make provision in connection with the making and consideration of applications to be so authorised.]

#### Textual Amendments

- F11** Words in art. 5 substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(6)** (with reg. 6)

#### Article 6

Any person referred to in Article 11, who is engaging in an activity referred to in Article 1 shall be entitled to recover any damages, including legal costs, caused to that person by the application of the laws specified in the Annex or by actions based thereon or resulting therefrom.

Such recovery may be obtained from the natural or legal person or any other entity causing the damages or from any person acting on its behalf or intermediary.

<sup>F12</sup>  
.....

Without prejudice to other means available and in accordance with applicable law, the recovery could take the form of seizure and sale of assets held by those persons, entities, persons acting on their behalf or intermediaries within the [<sup>F13</sup>United Kingdom], including shares held in a legal person incorporated within the [<sup>F13</sup>United Kingdom].

#### Textual Amendments

- F12** Words in Art. 6 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(7)(a)**

**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

**F13** Words in Art. 6 substituted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(7)(b)**

#### Article 7

For the implementation of this Regulation the [<sup>F14</sup>Secretary of State] shall:

- (a) [<sup>F15</sup>as regards the effects of the laws, regulations and other legislative instruments and ensuing actions mentioned in Article 1, and on the basis of the information obtained under this Regulation, make regularly a full public report thereon.]
- (b) <sup>F16</sup> ...
- (c) <sup>F16</sup> ...
- (d) <sup>F16</sup> ...
- (e) <sup>F16</sup> ...

#### Textual Amendments

- F14** Words in Art. 7 substituted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(8)(a)**
- F15** Art. 7(a) substituted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(8)(b)**
- F16** Art. 7(b)-(e) omitted (1.1.2021) by virtue of The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(8)(d)**

#### <sup>F17</sup>Article 8

#### Textual Amendments

- F17** Art. 8 omitted (1.1.2021) by virtue of The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(9)**

#### <sup>F18</sup>Article 9

#### Textual Amendments

- F18** Art. 9 omitted (1.1.2021) by virtue of The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(10)**

*Changes to legislation:* There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

## <sup>F19</sup>Article 10

### Textual Amendments

**F19** Art. 10 omitted (1.1.2021) by virtue of [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(11)**

## Article 11

This Regulation shall apply to:

1. any natural person [<sup>F20</sup>who is resident in the United Kingdom] and a national of [<sup>F21</sup>the United Kingdom],
2. any legal person incorporated [<sup>F22</sup>in any part of the United Kingdom],
3. [<sup>F23</sup>a national of the United Kingdom providing maritime transport services, or any legal person (wherever incorporated) providing such services and controlled by a national of the United Kingdom, where the vessel is registered in the United Kingdom,]
4. any other natural person [<sup>F24</sup>resident in the United Kingdom], unless that person is in the country of which he is a national,
5. any other natural person [<sup>F25</sup>in the United Kingdom], including its territorial waters and air space and in any aircraft or on any vessel under the jurisdiction or control of [<sup>F26</sup>the United Kingdom], acting in a professional capacity.

[<sup>F27</sup>For the purposes of this Article, a natural person is resident in the United Kingdom where that person has been so resident for a period of at least six months within the 12-month period immediately prior to the date on which, under this Regulation, an obligation arises or a right is exercised.

For the purposes of this Article, “a national of the United Kingdom” means—

- a British citizen, a British overseas territories citizen, a British National (Overseas) or a British Overseas citizen;
- b a person who, under the British Nationality Act 1981, is a British subject;
- c a British protected person within the meaning of that Act.]

### Textual Amendments

- F20** Words in Art. 11(1) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(a)(i)**
- F21** Words in Art. 11(1) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(a)(ii)**
- F22** Words in Art. 11(2) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(12)(b)**

**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

- F23** Art. 11(3) substituted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(12)(c)**
- F24** Words in Art. 11(4) substituted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(12)(e)**
- F25** Words in Art. 11(5) substituted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(12)(f)(i)**
- F26** Words in Art. 11(5) substituted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(12)(f)(ii)**
- F27** Words in Art. 11 inserted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(12)(g)**

### *<sup>F28</sup>Article 11a*

- 1 Regulations under Articles 1 or 5 may make—
- different provision with respect to different cases or descriptions of case;
  - incidental, supplementary or consequential provision;
  - transitional, transitory or saving provision.
- 2 A statutory instrument containing regulations under Article 1 or point (b) of the second paragraph of Article 5 is subject to annulment in pursuance of a resolution of either House of Parliament.]

#### **Textual Amendments**

- F28** Art. 11a substituted (1.1.2021) by The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(13)**

### *Article 12*

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

**F29**  
....

#### **Textual Amendments**

- F29** Words in *Signature* omitted (1.1.2021) by virtue of The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1660), regs. 1, **3(14)**

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*Changes to legislation: There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)*

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## [<sup>F30</sup>ANNEX

### LAWS, REGULATIONS AND OTHER LEGISLATIVE INSTRUMENTS

#### Textual Amendments

**F30** Substituted by [Commission Delegated Regulation \(EU\) 2018/1100 of 6 June 2018 amending the Annex to Council Regulation \(EC\) No 2271/96 protecting against the effects of extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom.](#)

*Note:* The main provisions of the instruments contained in this Annex are summarised only for information purposes. The full overview of provisions and their exact content can be found in the relevant instruments.

COUNTRY: UNITED STATES OF AMERICA

#### ACTS

1. **‘ National Defense Authorization Act for Fiscal Year 1993 ’ , Title XVII ‘ Cuban Democracy Act 1992 ’ , sections 1704 and 1706**

Required compliance:

The requirements are consolidated in Title I of the ‘Cuban Liberty and Democratic Solidarity Act of 1996’, see below.

Possible damages to [<sup>F31</sup>United Kingdom interests]:

#### Textual Amendments

**F31** Words in [Annex](#) substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(15)(a)**

The liabilities incurred are now incorporated within the ‘Cuban Liberty and Democratic Solidarity Act of 1996’, see below.

2. **‘ Cuban Liberty and Democratic Solidarity Act of 1996 ’**

Title I Required compliance:

To comply with the economic and financial embargo concerning Cuba by the USA, by, inter alia, not exporting to the USA any goods or services of Cuban origin or containing materials or goods originating in Cuba either directly or through third countries, dealing in merchandise that is or has been located in or transported from or through Cuba, re-exporting to the USA sugar originating in Cuba without notification by the competent national authority of the exporter or importing into the USA sugar products without assurance that those products are not products of Cuba, freezing Cuban assets, and financial dealings with Cuba.

Possible damages to [<sup>F31</sup>United Kingdom interests]:

Prohibition to load or unload freight from a vessel in any place in the USA or to enter a USA port; refusal to import any goods or services originating in Cuba and to import into Cuba goods or services originating in the USA, blocking of financial dealings involving Cuba.



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**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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Title III Required compliance:

and Title

IV:

To terminate 'trafficking' in property, formerly owned by US persons (including Cubans who have obtained US citizenship) and expropriated by the Cuban regime. (Trafficking includes: use, sale, transfer, control, management and other activities to the benefit of a person).

Possible damages to [F<sup>31</sup>United Kingdom interests]:

Legal proceedings in the USA, based upon liability already accruing, against [F<sup>32</sup>United Kingdom nationals or companies] involved in trafficking, leading to judgments/decisions to pay (multiple) compensation to the USA party. Refusal of entry into the USA for persons involved in trafficking, including the spouses, minor children and agents thereof.

#### Textual Amendments

**F32** Words in Annex substituted (1.1.2021) by [The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1660\)](#), regs. 1, **3(15)(b)**

### 3. 'Iran Sanctions Act of 1996'

Required compliance:

Not to knowingly:

- (i) invest in Iran at least USD 20 million during a period of 12 months that directly and significantly contributes to the enhancement of the Iranian ability to develop their petroleum resources;
- (ii) provide to Iran goods, services or other types of support any of which is worth USD 1 million or more, or of aggregate value of USD 5 million or more over a period of 12 months, that could directly and significantly facilitate the maintenance or expansion of Iran's domestic production of refined petroleum products or its ability to develop petroleum resources located in Iran;
- (iii) provide to Iran goods, services or other types of support any of which is worth USD 250 000 or more, or of aggregate value of USD 1 million or more over a period of 12 months, that could directly and significantly contribute to the maintenance or expansion of Iran's domestic production of petrochemical products;
- (iv) provide to Iran (a) refined petroleum products or (b) goods, services or other types of support which could directly and significantly contribute to the enhancement of Iran's ability to import refined petroleum products, any of which is worth USD 1 million or more, or of aggregate value of USD 5 million or more over a period of 12 months;
- (v) participate in a joint venture for the development of petroleum resources outside of Iran established on or after 1 January 2002 and in which Iran or its Government has particular interests;
- (vi) be involved in the transport of crude oil from Iran or conceal the Iranian origin of cargo consisting in crude oil and refined petroleum products;

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*Changes to legislation: There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)*

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Possible damages to [<sup>F31</sup>United Kingdom interests]:

Measures to limit imports into USA or procurement to USA, prohibition of designation as primary dealer or as repository of US Government funds, denial of access to loans from US financial institutions or transfers through such institutions, prohibition of transactions in foreign exchange subject to the jurisdiction of the USA, export restrictions by USA, prohibition of property transactions subject to the jurisdiction of the USA, or refusal of assistance by EXIM-Bank, landing and port-calling restrictions for vessels.

#### 4. ‘ Iran Freedom and Counter-Proliferation Act of 2012 ’

Required compliance:

Not to knowingly:

- (i) provide significant support, including by facilitating significant financial transactions, or goods or services, to or on behalf of certain persons operating in the ports, energy, shipping, or shipbuilding sectors in Iran, or any Iranian person included in the list of specially designated nationals and blocked persons;
- (ii) trade with Iran in significant goods and services used in connection with the energy, shipping or shipbuilding sectors of Iran;
- (iii) purchase petroleum and petroleum products from Iran and conduct financial transactions related with them, in specific circumstances;
- (iv) conduct or facilitate transactions for the trade in natural gas to or from Iran (applies to foreign financial institutions);
- (v) trade with Iran in precious metals, graphite, raw or semi-finished metals, or software that may be used in specific sectors or involve certain persons; nor facilitate a significant financial transaction in connection with such trade;
- (vi) provide underwriting services, insurance and reinsurance related to specific activities, including but not limited to those under points (i) and (ii) above, or to specific categories of persons;

Certain exceptions apply depending on the nature of the trade or transaction and the level of due diligence applied.

Possible damages to [<sup>F31</sup>United Kingdom interests]:

Measures to limit imports into USA or procurement to USA, prohibition of designation as primary dealer or as repository of US Government funds, denial of access to loans from US financial institutions or transfers through such institutions, prohibition of transactions in foreign exchange subject to the jurisdiction of the USA, export restrictions by USA, prohibition of property transactions subject to the jurisdiction of the USA, or refusal of assistance by EXIM-Bank, prohibitions and limitations to the opening and maintenance of correspondent accounts in the USA.

#### 5. ‘ National Defense Authorization Act for Fiscal Year 2012 ’

Required compliance:

Not to knowingly conduct or facilitate any significant financial transaction with the Central Bank of Iran or another designated Iranian financial institution (applies to foreign financial institutions).

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*Changes to legislation: There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)*

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Exceptions for food and medicine-related transactions and for petroleum-related transactions under specific circumstances.

Possible damages to [F<sup>31</sup>United Kingdom interests]:

Civil and criminal penalties; prohibitions and limitations to the opening and maintenance of correspondent accounts in the USA.

#### 6. ‘Iran Threat Reduction and Syria Human Rights Act of 2012’

Required compliance:

Not to knowingly:

- (i) provide underwriting services, insurance or reinsurance to certain Iranian persons;
- (ii) facilitate the issuance of Iranian sovereign debt, or of debt of entities controlled by the latter;
- (iii) engage in any transaction directly or indirectly with the Government of Iran or any person subject to the jurisdiction of the Government of Iran prohibited by US law (applies to foreign subsidiaries owned or controlled by US persons);
- (iv) provide specialized financial messaging services to, or enable or facilitate direct or indirect access to such messaging services for the Central Bank of Iran or a financial institution whose interests in property are blocked in connection to Iran's proliferation activities.

With regard to (i), there are exceptions for humanitarian assistance, food and medical products supply, and depending on the level of due diligence applied.

Possible damages to [F<sup>31</sup>United Kingdom interests]:

Measures to limit imports into USA or procurement to USA, prohibition of designation as primary dealer or as repository of US Government funds, denial of access to loans from US financial institutions or transfers through such institutions, prohibition of transactions in foreign exchange subject to the jurisdiction of the USA, export restrictions by USA, prohibition of property transactions subject to the jurisdiction of the USA, or refusal of assistance by EXIM-Bank, prohibitions and limitations to the opening and maintenance of correspondent accounts in the USA

#### **REGULATIONS**

‘Iranian Transactions and Sanctions Regulations’

Required compliance:

Not to reexport any goods, technology, or services that (a) have been exported from the USA and (b) are subject to export control rules in the USA, if the export is made knowing or having reason to know that it is specifically intended for Iran or its Government.

Goods substantially transformed into a foreign-made product outside the USA, and goods incorporated into such a product and representing less than 10 % of its value are not subject to the prohibition.

Possible damages to [F<sup>31</sup>United Kingdom interests]:

Imposition of civil penalties, fines and imprisonment.

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**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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►C1 1. 31 CFR ◀ (Code of Federal Regulations) Ch. V (7-1-95 edition) Part 515 — Cuban Assets Control Regulations, subpart B (Prohibitions), E (Licenses, Authorizations and Statements of Licensing Policy) and G (Penalties)

Required compliance:

The prohibitions are consolidated in Title I of the ‘Cuban Liberty and Democratic Solidarity Act of 1996’, see above. Furthermore, requires the obtaining of licences and/or authorizations in respect of economic activities concerning Cuba.

Possible damages to [<sup>F31</sup>United Kingdom interests]:

Fines, forfeiture, imprisonment in cases of violation.]

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**Changes to legislation:** There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96. (See end of Document for details)

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- (1) Opinion delivered on 25 October 1996 (OJ No C 347, 18. 11. 1996).
- (2) See page 7 of this Official Journal.
- (3) Information should be supplied to the following address: European Commission, Directorate General I, Rue de la Loi/Wetstraat 200, B — 1049 Brussels (fax (32-2) 295 65 05).

**Changes to legislation:**

There are currently no known outstanding effects for the Council Regulation (EC) No 2271/96.