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STATUTORY INSTRUMENTS

2022 No. 819

SANCTIONS

The Sanctions (EU Exit) (Miscellaneous Amendments) Regulations 2022

Made - - - - *14th July 2022*

Laid before Parliament *19th July 2022*

Coming into force in accordance with regulation 1(2) and (3)

The Secretary of State⁽¹⁾, considering that the condition in section 45(2) of the Sanctions and Anti-Money Laundering Act 2018⁽²⁾ is met, makes the following Regulations in exercise of the powers conferred by sections 1, 11(2) to (5), 13, 15(2)(a) and (b), 15(3), 16(1)(a)(i), 45 and 54(2) of that Act.

Citation and commencement

1.—(1) These Regulations may be cited as the Sanctions (EU Exit) (Miscellaneous Amendments) Regulations 2022.

(2) These Regulations come into force on 9th August 2022, except as specified in paragraph (3).

(3) The following provisions come into force on 30th August 2022—

- (a) regulation 2(2);
- (b) regulation 3(2);
- (c) regulation 4(2);
- (d) regulation 5(2);
- (e) regulation 6(3);
- (f) regulation 7(4);
- (g) regulation 8(2);

(1) The power to make regulations under Part 1 of the Sanctions and Anti-Money Laundering Act 2018 (c. 13) is conferred on an appropriate Minister. Section 1(9)(a) of the Act defines as “appropriate Minister” as including the Secretary of State.

(2) 2018 c. 13. Section 17(5)(b)(i) (enforcement) is amended by the Sentencing Act 2020 (c. 17), Schedule 24, paragraph 443(1). Sections 1 and 45 are amended by the Economic Crime (Transparency and Enforcement) Act 2022 (c. 10), sections 57 and 62.

- (h) regulation 9(2);
- (i) regulation 10(3);
- (j) regulation 11(3);
- (k) regulation 12(3);
- (l) regulation 13(2);
- (m) regulation 14(2);
- (n) regulation 15(3);
- (o) regulation 16(2);
- (p) regulation 17(4).

Amendment of the Democratic People’s Republic of Korea (Sanctions) (EU Exit) Regulations 2019

2.—(1) The Democratic People’s Republic of Korea (Sanctions) (EU Exit) Regulations 2019(3) are amended as follows.

(2) In regulation 100 (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
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.
- (3) After regulation 108 (disclosure of information) insert—

“Finance: disclosure to the Treasury

108A.—(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⁽⁴⁾,
- (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⁽⁵⁾, or
- (d) in relation to Northern Ireland, a district council.”.

(4) In regulation 109 (Part 10: Supplementary)—

- (a) in paragraph (1), after “under regulation 108” insert “or 108A”;
- (b) in paragraph (2), for “that regulation” substitute “those regulations”;
- (c) in paragraph (4)—
 - (i) for “Regulation 108 does” substitute “Regulations 108 and 108A do”;

(4) 2000 c. 22.
(5) 1994 c. 39.

(ii) for “that regulation” substitute “those regulations”.

Amendment of the Democratic Republic of the Congo (Sanctions) (EU Exit) Regulations 2019

3.—(1) The Democratic Republic of the Congo (Sanctions) (EU Exit) Regulations 2019⁽⁶⁾ are amended as follows.

(2) In regulation 40 (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

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

(3) After regulation 47 (disclosure of information) insert—

⁽⁶⁾ S.I. 2019/433, amended by S.I. 2020/591; S.I. 2020/950 and S.I. 2021/1041.

“Finance: disclosure to the Treasury

47A.—(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(7),
- (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(8), or
- (d) in relation to Northern Ireland, a district council.”.

(4) In regulation 48 (Part 7: Supplementary)—

- (a) in paragraph (1), after “under regulation 47” insert “or 47A”;
- (b) in paragraph (2), for “that regulation” substitute “those regulations”;
- (c) in paragraph (4)—
 - (i) for “Regulation 47 does” substitute “Regulations 47 and 47A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the South Sudan (Sanctions) (EU Exit) Regulations 2019

4.—(1) The South Sudan (Sanctions) (EU Exit) Regulations 2019(9) are amended as follows.

(2) In regulation 40 (finance reporting obligations: meaning of relevant firm)—

(7) 2000 c. 22.

(8) 1994 c. 39.

(9) S.I. 2019/438, amended by S.I. 2020/591; and S.I. 2020/950.

- (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
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.
- (3) After regulation 47 (disclosure of information) insert—

“Finance: disclosure to the Treasury

47A.—(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⁽¹⁰⁾,
 - (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⁽¹¹⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (4) In regulation 48 (Part 7: Supplementary)—
- (a) in paragraph (1), after “under regulation 47” insert “or 47A”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 47 does” substitute “Regulations 47 and 47A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Iran (Sanctions) (Nuclear) (EU Exit) Regulations 2019

- 5.—(1) The Iran (Sanctions) (Nuclear) (EU Exit) Regulations 2019⁽¹²⁾ are amended as follows.
- (2) In regulation 47 (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,

⁽¹⁰⁾ 2000 c. 22.

⁽¹¹⁾ 1994 c. 39.

⁽¹²⁾ S.I. 2019/461, amended by S.I. 2019/843; S.I. 2020/591; and S.I. 2020/950.

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

(3) After regulation 54 (disclosure of information) insert—

“Finance: disclosure to the Treasury

54A.—(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⁽¹³⁾,
- (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⁽¹⁴⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (4) In regulation 55 (Part 7: Supplementary)—
- (a) in paragraph (1), after “under regulation 54” insert “or 54A”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 54 does” substitute “Regulations 54 and 54A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the ISIL (Da’esh) and Al-Qaida (United Nations Sanctions) (EU Exit) Regulations 2019

6.—(1) The ISIL (Da’esh) and Al-Qaida (United Nations Sanctions) (EU Exit) Regulations 2019⁽¹⁵⁾ are amended as follows.

- (2) In regulation 29 (Treasury licences), after paragraph (6) insert—
- “(7) In this regulation, “designated person” has the same meaning as it has in Part 3 (Finance).”.
- (3) In regulation 32 (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—

⁽¹³⁾ 2000 c. 22.

⁽¹⁴⁾ 1994 c. 39.

⁽¹⁵⁾ S.I. 2019/466, amended by S.I. 2019/843; S.I. 2020/591; and S.I. 2020/950.

- (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
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”
- (4) After regulation 37 (disclosure of information) insert—

“Finance: disclosure to the Treasury

37A.—(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(16),

- (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⁽¹⁷⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (5) In regulation 38 (Part 7: Supplementary)—
- (a) in paragraph (1), after “under regulation 37” insert “or 37A”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 37 does” substitute “Regulations 37 and 37A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Counter-Terrorism (International Sanctions) (EU Exit) Regulations 2019

7.—(1) The Counter-Terrorism (International Sanctions) (EU Exit) Regulations 2019⁽¹⁸⁾ are amended as follows.

(2) In regulation 6(3)(k) (criteria for designating a person), for “is involved” substitute “being involved”.

(3) In regulation 34(5)(b) (finance: reporting obligations), for “regulation 34(6)” substitute “regulation 29(6)”.

(4) In regulation 35 (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—

⁽¹⁷⁾ 1994 c. 39.

⁽¹⁸⁾ S.I. 2019/573, amended by S.I. 2019/843; S.I. 2020/591; and S.I. 2020/950.

- (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
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.
- (5) After regulation 40 (disclosure of information) insert—

“Finance: disclosure to the Treasury

40A.—(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⁽¹⁹⁾,
- (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⁽²⁰⁾, or

⁽¹⁹⁾ 2000 c. 22.

⁽²⁰⁾ 1994 c. 39.

- (d) in relation to Northern Ireland, a district council.”.
- (6) In regulation 41 (Part 7: Supplementary)—
 - (a) in paragraph (1), after “under regulation 40” insert “or 40A”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 40 does” substitute “Regulations 40 and 40A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Counter-Terrorism (Sanctions) (EU Exit) Regulations 2019

8.—(1) The Counter-Terrorism (Sanctions) (EU Exit) Regulations 2019⁽²¹⁾ are amended as follows.

- (2) In regulation 22 (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

⁽²¹⁾ S.I. 2019/577, amended by S.I. 2020/950.

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

(3) After regulation 26 (disclosure of information) insert—

“Finance: disclosure to the Treasury

26A.—(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⁽²²⁾,
- (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⁽²³⁾, or
- (d) in relation to Northern Ireland, a district council.”.

(4) In regulation 27 (Part 5: Supplementary)—

- (a) in paragraph (1), after “under regulation 26” insert “or 26A”;
- (b) in paragraph (2), for “that regulation” substitute “those regulations”;
- (c) in paragraph (4)—
 - (i) for “Regulation 26 does” substitute “Regulations 26 and 26A do”;
 - (ii) for “that regulation” substitute “those regulations”.

⁽²²⁾ 2000 c. 22.

⁽²³⁾ 1994 c. 39.

Amendment of the Central African Republic (Sanctions) (EU Exit) Regulations 2020

9.—(1) The Central African Republic (Sanctions) (EU Exit) Regulations 2020⁽²⁴⁾ are amended as follows.

(2) In regulation 40 (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

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

(3) After regulation 47 (disclosure of information) insert—

“Finance: disclosure to the Treasury

47A.—(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—

⁽²⁴⁾ S.I. 2020/616, amended by S.I. 2020/950.

- (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⁽²⁵⁾,
- (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⁽²⁶⁾, or
- (d) in relation to Northern Ireland, a district council.”.

(4) In regulation 48 (Part 7: Supplementary)—

- (a) in paragraph (1), after “under regulation 47 (disclosure of information)” insert “or 47A (finance: disclosure to the Treasury)”;
- (b) in paragraph (2), for “that regulation” substitute “those regulations”;
- (c) in paragraph (4)—
 - (i) for “Regulation 47 does” substitute “Regulations 47 and 47A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Lebanon (Sanctions) (Assassination of Rafiq Hariri and others) (EU Exit) Regulations 2020

10.—(1) The Lebanon (Sanctions) (Assassination of Rafiq Hariri and others) (EU Exit) Regulations 2020⁽²⁷⁾ are amended as follows.

- (2) In regulation 16 (Treasury licences), after paragraph (6) insert—
 - “(7) In this regulation, “designated person” has the same meaning as it has in Part 3 (Finance).”.
- (3) In regulation 19 (finance reporting obligations: meaning of relevant firm)—

⁽²⁵⁾ 2000 c. 22.

⁽²⁶⁾ 1994 c. 39.

⁽²⁷⁾ S.I. 2020/617, amended by S.I. 2020/950.

- (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
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.
- (4) After regulation 23 (disclosure of information) insert—

“Finance: disclosure to the Treasury

23A.—(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⁽²⁸⁾,
 - (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⁽²⁹⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (5) In regulation 24 (Part 5: Supplementary)—
- (a) in paragraph (1), after “under regulation 23 (disclosure of information)” insert “or 23A (finance: disclosure to the Treasury)”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 23 does” substitute “Regulations 23 and 23A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Somalia (Sanctions) (EU Exit) Regulations 2020

- 11.**—(1) The Somalia (Sanctions) (EU Exit) Regulations 2020⁽³⁰⁾ are amended as follows.
- (2) In regulation 6(3)(c) (criteria for designating a person), omit “sub-paragraphs (i) to (v) of”.
- (3) In regulation 54 (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—

⁽²⁸⁾ 2000 c. 22.

⁽²⁹⁾ 1994 c. 39.

⁽³⁰⁾ S.I. 2020/642, amended by S.I. 2020/950; S.I. 2021/823; and the Sentencing Act 2020 (c. 17).

- (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
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.
- (4) After regulation 61 (disclosure of information) insert—

“Finance: disclosure to the Treasury

61A.—(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⁽³¹⁾,
 - (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⁽³²⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (5) In regulation 62 (Part 7: Supplementary)—
- (a) in paragraph (1), after “under regulation 61 (disclosure of information)” insert “or 61A (finance: disclosure to the Treasury)”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 61 does” substitute “Regulations 61 and 61A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Iraq (Sanctions) (EU Exit) Regulations 2020

- 12.**—(1) The Iraq (Sanctions) (EU Exit) Regulations 2020⁽³³⁾ are amended as follows.
- (2) In regulation 35 (Treasury licences), after paragraph (3) insert—
- “(4) In this regulation, “designated person” has the same meaning as it has in regulation 6(1) or (2)”.
- (3) In regulation 41 (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—

⁽³¹⁾ 2000 c. 22.

⁽³²⁾ 1994 c. 39.

⁽³³⁾ S.I. 2020/707.

- (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
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.
- (4) After regulation 48 (disclosure of information) insert—

“Finance: disclosure to the Treasury

48A.—(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⁽³⁴⁾,

(34) 2000 c. 22.

- (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⁽³⁵⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (5) In regulation 49 (Part 6: Supplementary)—
- (a) in paragraph (1), after “under regulation 48 (disclosure of information)” insert “or 48A (finance: disclosure to the Treasury)”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 48 does” substitute “Regulations 48 and 48A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Mali (Sanctions) (EU Exit) Regulations 2020

- 13.—(1) The Mali (Sanctions) (EU Exit) Regulations 2020⁽³⁶⁾ are amended as follows.
- (2) In regulation 26 (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,

⁽³⁵⁾ 1994 c. 39.

⁽³⁶⁾ S.I. 2020/705, amended by S.I. 2020/1514.

- (ii) money in any other currency, or
 - (iii) money in any other medium of exchange,
but does not include a cryptoasset; and
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.
- (3) After regulation 30 (disclosure of information) insert—

“Finance: disclosure to the Treasury

30A.—(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⁽³⁷⁾,
- (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⁽³⁸⁾, or
- (d) in relation to Northern Ireland, a district council.”.

(4) In regulation 31 (Part 6: Supplementary)—

- (a) in paragraph (1), after “under regulation 30 (disclosure of information)” insert “or 30A (finance: disclosure to the Treasury)”;
- (b) in paragraph (2), for “that regulation” substitute “those regulations”;

⁽³⁷⁾ 2000 c. 22.

⁽³⁸⁾ 1994 c. 39.

- (c) in paragraph (4)—
 - (i) for “Regulation 30 does” substitute “Regulations 30 and 30A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Sudan (Sanctions) (EU Exit) Regulations 2020

14.—(1) The Sudan (Sanctions) (EU Exit) Regulations 2020~~(39)~~ are amended as follows.

(2) In regulation 41 (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
- (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.

(3) After regulation 48 (disclosure of information) insert—

“Finance: disclosure to the Treasury

48A.—(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⁽⁴⁰⁾,
- (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⁽⁴¹⁾, or
- (d) in relation to Northern Ireland, a district council.”.

(4) In regulation 49 (Part 7: Supplementary)—

- (a) in paragraph (1), after “under regulation 48” insert “or 48A”;
- (b) in paragraph (2), for “that regulation” substitute “those regulations”;
- (c) in paragraph (4)—
 - (i) for “Regulation 48 does” substitute “Regulations 48 and 48A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Afghanistan (Sanctions) (EU Exit) Regulations 2020

15.—(1) The Afghanistan (Sanctions) (EU Exit) Regulations 2020⁽⁴²⁾ are amended as follows.

(2) In regulation 28 (Treasury licences), after paragraph (6) insert—

⁽⁴⁰⁾ 2000 c. 22.

⁽⁴¹⁾ 1994 c. 39.

⁽⁴²⁾ S.I. 2020/948, amended by S.I. 2020/1397; and S.I. 2022/65.

“(7) In this regulation, “designated person” has the same meaning as it has in Part 3 (Finance).”.

(3) In regulation 31 (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
- (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.

(4) After regulation 36 (disclosure of information) insert—

“Finance: disclosure to the Treasury

36A.—(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⁽⁴³⁾,
 - (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⁽⁴⁴⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (5) In regulation 37 (Part 6: Supplementary)—
- (a) in paragraph (1), after “under regulation 36 (disclosure of information)” insert “or 36A (finance: disclosure to the Treasury)”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 36 does” substitute “Regulations 36 and 36A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Yemen (Sanctions) (EU Exit) (No. 2) Regulations 2020

- 16.**—(1) The Yemen (Sanctions) (EU Exit) (No. 2) Regulations 2020⁽⁴⁵⁾ are amended as follows.
- (2) In regulation 40 (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,

⁽⁴³⁾ 2000 c. 22.

⁽⁴⁴⁾ 1994 c. 39.

⁽⁴⁵⁾ S.I. 2020/1278.

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

(3) After regulation 47 (disclosure of information) insert—

“Finance: disclosure to the Treasury

47A.—(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⁽⁴⁶⁾,
- (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⁽⁴⁷⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (4) In regulation 48 (Part 7: Supplementary)—
- (a) in paragraph (1), after “under regulation 47 (disclosure of information)” insert “or 47A (finance: disclosure to the Treasury)”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 47 does” substitute “Regulations 47 and 47A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Amendment of the Libya (Sanctions) (EU Exit) Regulations 2020

17.—(1) The Libya (Sanctions) (EU Exit) Regulations 2020⁽⁴⁸⁾ are amended as follows.

(2) In regulation 43(3) (finance: exceptions from prohibitions), for “18 (partial-asset freeze in relation to designated persons)” substitute “18 to 20 (partial-asset freeze in relation to, and making funds available to, or for the benefit of, designated persons)”.

(3) In regulation 48(6) (Treasury licences), after “Part 1” insert “or Part 2”.

(4) In regulation 57 (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

⁽⁴⁶⁾ 2000 c. 22.

⁽⁴⁷⁾ 1994 c. 39.

⁽⁴⁸⁾ S.I. 2020/1665.

- (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
 - (c) in sub-paragraphs (a) to (c) of paragraph (3A), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.
- (5) After regulation 64 (disclosure of information) insert—

“Finance: disclosure to the Treasury

64A.—(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⁽⁴⁹⁾,
 - (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⁽⁵⁰⁾, or
 - (d) in relation to Northern Ireland, a district council.”.
- (6) In regulation 65 (Part 9: Supplementary)—
- (a) in paragraph (1), after “under regulation 64 (disclosure of information)” insert “or 64A (finance: disclosure to the Treasury)”;
 - (b) in paragraph (2), for “that regulation” substitute “those regulations”;
 - (c) in paragraph (4)—
 - (i) for “Regulation 64 does” substitute “Regulations 64 and 64A do”;
 - (ii) for “that regulation” substitute “those regulations”.

Rehman Chishti
Parliamentary Under-Secretary of State
Foreign, Commonwealth and Development
Office

14th July 2022

⁽⁴⁹⁾ 2000 c. 22.
⁽⁵⁰⁾ 1994 c. 39.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made under the Sanctions and Anti-Money Laundering Act 2018 (c. 13) (“the Sanctions Act”).

The Regulations make corrections and amendments to a number of sanctions regulations which have been made under section 1 of the Sanctions Act, namely the Democratic People’s Republic of Korea (Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/411), the Democratic Republic of the Congo (Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/433), the South Sudan (Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/438), the Iran (Sanctions) (Nuclear) (EU Exit) Regulations 2019 (S.I. 2019/461), the ISIL (Da’esh) and Al-Qaida (United Nations Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/466), the Counter-Terrorism (International Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/573), the Counter-Terrorism (Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/577), the Central African Republic (Sanctions) (EU Exit) Regulations (S.I. 2020/616), the Lebanon (Sanctions) (Assassination of Rafiq Hariri and others) (EU Exit) Regulations 2020 (S.I. 2020/617), the Somalia (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/642), the Iraq (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/707), the Mali (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/705), the Sudan (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/753), the Afghanistan (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/948), the Yemen (Sanctions) (EU Exit) (No. 2) Regulations 2020 (S.I. 2020/1278), the Libya (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/1665).

The Regulations insert a new information sharing power in each of the sanctions regulations mentioned above to authorise other government departments, agencies and relevant bodies to share information to enable or assist the Treasury to discharge its functions in connection with sanctions.

Sanctions regulations impose various obligations on “relevant firms” to report to the Treasury. The Regulations widen the definition of “relevant firm” to capture cryptoasset exchange providers and custodian wallet providers in each of the sanctions regulations mentioned above.

Regulations 6(2), 10(2), 12(2) and 15(2) make amendments to the ISIL (Da’esh) and Al-Qaida (United Nations Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/466), the Lebanon (Sanctions) (Assassination of Rafiq Hariri and others) (EU Exit) Regulations 2020 (S.I. 2020/617), the Iraq (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/707) and the Afghanistan (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/948), respectively, to clarify that the definition of ‘designated person’ in the Treasury licence regulation has the same meaning as in Part 3 (Finance) of the relevant Regulations.

Regulation 7(2) makes a correction in the Counter-Terrorism (International Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/573) to a cross-reference in respect of reporting obligations arising due to a transfer of funds to a ring-fenced account. Regulation 7(3) corrects a grammatical error in those regulations.

Regulation 11(2) makes an amendment to the Somalia (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/642) to reflect the change in name of the African Union’s mission in Somalia from AMISOM to ATMIS as per UN Security Council Resolution 2628 (2022).

Regulation 17(2) makes a correction to regulation 43 of the Libya (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/1665) to provide that, for the purposes of the partial asset-freeze provisions in those regulations, it is not a breach of financial sanctions to credit a frozen account with interest.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Regulation 17(3) makes a correction in the Libya Regulations to specify that the licence grounds available in respect of the LIA and LAIP include the purpose of satisfying prior obligations as set out in Part 2 of Schedule 4.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen. An impact assessment was, however, produced for the Sanctions Act and can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/653271/Sanctions_and_Anti-Money_Laundering_Bill_Impact_Assessment_18102017.pdf.