

STATUTORY INSTRUMENTS

2019 No. 600

The Republic of Belarus (Sanctions) (EU Exit) Regulations 2019

PART 3

Finance

[^{F1}CHAPTER 1

Asset-freeze etc.]

Textual Amendments

- F1** Pt. 3 Ch. 1 heading inserted (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **7(2)**

[^{F2}Meaning of “designated person” in Part 3

10. In this Part a “designated person” means a person who is designated under regulation 5 for the purposes of regulations 11 to 15.

Textual Amendments

- F2** Regs. 10-15 become Pt. 3 Ch. 1 (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **7(1)**

Commencement Information

- I1** Reg. 10 not in force at made date, see [reg. 1\(2\)](#)
I2 Reg. 10 in force at 31.12.2020 by [S.I. 2019/627](#), **reg. 12(2)**; 2020 c. 1, **Sch. 5 para. 1(1)**

Asset-freeze in relation to designated persons

11.—(1) A person (“P”) must not deal with funds or economic resources owned, held or controlled by a designated person if P knows, or has reasonable cause to suspect, that P is dealing with such funds or economic resources.

(2) Paragraph (1) is subject to Part 6 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) For the purposes of paragraph (1), a person “deals with” funds if the person—

- (a) uses, alters, moves, transfers or allows access to the funds,
- (b) deals with the funds in any other way that would result in any change in volume, amount, location, ownership, possession, character or destination, or

- (c) makes any other change, including portfolio management, that would enable use of the funds.
- (5) For the purposes of paragraph (1), a person “deals with” economic resources if the person—
- exchanges the economic resources for funds, goods or services, or
 - uses the economic resources in exchange for funds, goods or services (whether by pledging them as security or otherwise).
- (6) The reference in paragraph (1) to funds or economic resources that are “owned, held or controlled” by a person includes, in particular, a reference to—
- funds or economic resources in which the person has any legal or equitable interest, regardless of whether the interest is held jointly with any other person and regardless of whether any other person holds an interest in the funds or economic resources;
 - any tangible property (other than real property), or bearer security, that is comprised in funds or economic resources and is in the possession of the person.
- (7) For the purposes of paragraph (1) funds or economic resources are to be treated as owned, held or controlled by a designated person if they are owned, held or controlled by a person who is owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person.
- (8) For the avoidance of doubt, the reference in paragraph (1) to a designated person includes P if P is a designated person.

Textual Amendments

- F2** Regs. 10-15 become Pt. 3 Ch. 1 (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **7(1)**

Commencement Information

- I3** Reg. 11 not in force at made date, see [reg. 1\(2\)](#)
- I4** Reg. 11 in force at 31.12.2020 by [S.I. 2019/627](#), **reg. 12(2)**; 2020 c. 1, **Sch. 5 para. 1(1)**

Making funds available to designated persons

12.—(1) A person (“P”) must not make funds available directly or indirectly to a designated person if P knows, or has reasonable cause to suspect, that P is making the funds so available.

(2) Paragraph (1) is subject to Part 6 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) The reference in paragraph (1) to making funds available indirectly to a designated person includes, in particular, a reference to making them available to a person who is owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person.

Textual Amendments

- F2** Regs. 10-15 become Pt. 3 Ch. 1 (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **7(1)**

Commencement Information

- I5** Reg. 12 not in force at made date, see [reg. 1\(2\)](#)
- I6** Reg. 12 in force at 31.12.2020 by [S.I. 2019/627](#), **reg. 12(2)**; 2020 c. 1, **Sch. 5 para. 1(1)**

Making funds available for benefit of designated persons

13.—(1) A person (“P”) must not make funds available to any person for the benefit of a designated person if P knows, or has reasonable cause to suspect, that P is making the funds so available.

(2) Paragraph (1) is subject to Part 6 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) For the purposes of this regulation—

(a) funds are made available for the benefit of a designated person only if that person thereby obtains, or is able to obtain, a significant financial benefit, and

(b) “financial benefit” includes the discharge (or partial discharge) of a financial obligation for which the designated person is wholly or partly responsible.

Textual Amendments

F2 Regs. 10-15 become Pt. 3 Ch. 1 (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **7(1)**

Commencement Information

I7 Reg. 13 not in force at made date, see [reg. 1\(2\)](#)

I8 Reg. 13 in force at 31.12.2020 by [S.I. 2019/627](#), **reg. 12(2)**; 2020 c. 1, **Sch. 5 para. 1(1)**

Making economic resources available to designated persons

14.—(1) A person (“P”) must not make economic resources available directly or indirectly to a designated person if P knows, or has reasonable cause to suspect—

(a) that P is making the economic resources so available, and

(b) that the designated person would be likely to exchange the economic resources for, or use them in exchange for, funds, goods or services.

(2) Paragraph (1) is subject to Part 6 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) The reference in paragraph (1) to making economic resources available indirectly to a designated person includes, in particular, a reference to making them available to a person who is owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person.

Textual Amendments

F2 Regs. 10-15 become Pt. 3 Ch. 1 (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **7(1)**

Commencement Information

I9 Reg. 14 not in force at made date, see [reg. 1\(2\)](#)

I10 Reg. 14 in force at 31.12.2020 by [S.I. 2019/627](#), **reg. 12(2)**; 2020 c. 1, **Sch. 5 para. 1(1)**

Making economic resources available for benefit of designated persons

15.—(1) A person (“P”) must not make economic resources available to any person for the benefit of a designated person if P knows, or has reasonable cause to suspect, that P is making the economic resources so available.

(2) Paragraph (1) is subject to Part 6 (Exceptions and licences).

(3) A person who contravenes the prohibition in paragraph (1) commits an offence.

(4) For the purposes of paragraph (1)—

- (a) economic resources are made available for the benefit of a designated person only if that person thereby obtains, or is able to obtain, a significant financial benefit, and
- (b) “financial benefit” includes the discharge (or partial discharge) of a financial obligation for which the designated person is wholly or partly responsible.]

Textual Amendments

F2 Regs. 10-15 become Pt. 3 Ch. 1 (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **7(1)**

Commencement Information

I11 Reg. 15 not in force at made date, see [reg. 1\(2\)](#)

I12 Reg. 15 in force at 31.12.2020 by [S.I. 2019/627](#), **reg. 12(2)**; 2020 c. 1, **Sch. 5 para. 1(1)**

[^{F3}CHAPTER 2

Other financial restrictions

Textual Amendments

F3 [Pt. 3 Ch. 2](#) inserted (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **8**

Dealing with transferable securities or money-market instruments

15A.—(1) A person (“P”) must not directly or indirectly deal with a transferable security or money-market instrument falling within paragraph (2) if P knows, or has reasonable cause to suspect, that P is dealing with such a transferable security or money-market instrument.

(2) A transferable security or money-market instrument falls within this paragraph if it—

- (a) has a maturity exceeding 90 days,
- (b) is issued by a relevant person, and

[^{F4}(c) is issued—

- (i) after the date on which the Amendment Regulations 2021 come into force, and
- (ii) before the Amendment Regulations 2022 come into force.]

[
^{F5}(2A) A person (“P”) must not, directly or indirectly, deal with a transferable security or money-market instrument falling within paragraphs (2B) or (2C) if P knows, or has reasonable cause to suspect, that P is dealing with such a transferable security or money-market instrument.

(2B) A transferable security or money-market instrument falls within this paragraph if it is issued after the Amendment Regulations 2022 come into force [^{F6}by—

- (a) a relevant person;
- (b) a person, other than an individual, acting on behalf or upon the direction of a person falling within any of sub-paragraphs (a) to (c) of the definition of relevant person in regulation 15D(1)].

(2C) A transferable security or money-market instrument falls within this paragraph if it is issued after the Amendment Regulations 2022 come into force by—

- (a) a person connected with Belarus, which is not—
 - (i) a relevant person,
 - (ii) a person, other than an individual, which on the date on which the Amendment Regulations 2022 come into force is domiciled in a country other than Belarus, or
 - (iii) a person which on the date on which the Amendment Regulations 2022 come into force is a branch or subsidiary, wherever located, of a person mentioned in paragraph (ii);
- (b) a person, other than an individual, which is majority owned by a person falling within sub-paragraph (a) [^{F7}; or]

[a person, other than an individual, acting on behalf or at the direction of a person falling ^{F8}(c) within sub-paragraph (a) or sub-paragraph (b).]]

[^{F9}(3) Paragraphs (1) and (2A) are subject to Part 6 (Exceptions and licences).]

(4) A person who contravenes the prohibition in [^{F10}paragraph (1) or (2A)] commits an offence.

(5) For the purposes of this regulation, a reference to “dealing with” a transferable security or money-market instrument includes a reference to purchasing or selling the security or instrument, providing investment services relating to the security or instrument, or assisting in the issuance of the security or instrument.

(6) In this regulation—

“investment services” means—

- (a) the reception and transmission of orders in relation to one or more financial instruments,
- (b) the execution of orders on behalf of clients,
- (c) dealing on own account,
- (d) portfolio management,
- (e) the provision of investment advice,
- (f) the underwriting of financial instruments or placing of financial instruments on a firm commitment basis,
- (g) the placing of financial instruments without a firm commitment basis, or
- (h) any service in relation to the admission to trading on a regulated market or trading on a multilateral trading facility;

“money-market instrument” means an instrument of a kind normally dealt in on the money market, such as treasury bills, certificates of deposit and commercial papers, excluding instruments of payment;

“transferable security” means a security, negotiable on the capital market, of any of the following kinds, but excluding instruments of payment—

- (a) shares in companies and other securities equivalent to shares in companies, partnerships or other entities, and depositary receipts in respect of shares;
- (b) bonds or other forms of securitised debt, including depositary receipts in respect of such securities;

- (c) any other securities giving the right to purchase or sell any security of a kind mentioned in paragraph (a) or (b).

Textual Amendments

- F4** Reg. 15A(2)(c) substituted (5.7.2022) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2022 (S.I. 2022/748), regs. 1(2), **11(a)**
- F5** Reg. 15A(2A)-(2C) inserted (5.7.2022) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2022 (S.I. 2022/748), regs. 1(2), **11(b)**
- F6** Words in reg. 15A(2B) substituted (9.6.2023) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2023 (S.I. 2023/616), regs. 1(2), **6(a)**
- F7** Word in reg. 15A(2C)(b) substituted (9.6.2023) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2023 (S.I. 2023/616), regs. 1(2), **6(b)(i)**
- F8** Reg. 15A(2C)(c) inserted (9.6.2023) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2023 (S.I. 2023/616), regs. 1(2), **6(b)(ii)**
- F9** Reg. 15A(3) substituted (5.7.2022) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2022 (S.I. 2022/748), regs. 1(2), **11(c)**
- F10** Words in reg. 15A(4) substituted (5.7.2022) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2022 (S.I. 2022/748), regs. 1(2), **11(d)**

Loans and credit arrangements

15B.—(1) A person (“P”) must not directly or indirectly grant a relevant loan if P knows, or has reasonable cause to suspect, that P is granting a relevant loan.

(2) A person must not directly or indirectly enter into any arrangement to grant a relevant loan if the person knows, or has reasonable cause to suspect, that the arrangement relates to a relevant loan.

(3) Paragraphs (1) and (2) are subject to Part 6 (Exceptions and licences).

(4) A person who contravenes a prohibition in paragraph (1) or (2) commits an offence.

[^{F11}(5) In this regulation—

“category A loan” means a loan or credit which—

- (a) has a maturity exceeding 90 days,
- (b) is made or granted to a relevant person, and
- (c) is first made or granted—
 - (aa) after the date on which the Amendment Regulations 2021 come into force, and
 - (bb) before the Amendment Regulations 2022 come into force;

“category B loan” means a loan or credit which—

- (a) is made or granted to a relevant person,
- (b) is first made or granted after the Amendment Regulations 2022 come into force;

“category C loan” means a loan or credit which—

- (a) has a maturity exceeding 30 days,
- (b) is made or granted—
 - (i) to a person, other than an individual, which is connected with Belarus and which is not—
 - (aa) a person which on the date on which the Amendment Regulations 2022 come into force is domiciled in a country other than Belarus,

- (bb) a person which is majority owned by a person falling within paragraph (aa), or
 - (ii) to a person, other than an individual, which is majority owned by a person within sub-paragraph (i),
 - (c) is first made or granted after the Amendment Regulations 2022 come into force, and
 - (d) is not a category B loan;
- “relevant loan” means a category A loan, a category B loan or a category C loan.]

Textual Amendments

- F11** [Reg. 15B\(5\)](#) substituted (5.7.2022) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) Regulations 2022 \(S.I. 2022/748\)](#), regs. 1(2), [12](#)

Insurance and reinsurance services

15C.—(1) A person (“P”) must not provide insurance or reinsurance services to a person falling within paragraph (2) if P knows, or has reasonable cause to suspect, that P is providing such services to such a person.

(2) The following persons fall within this paragraph—

- (a) Belarus;
- (b) a Belarusian authority;
- (c) a person, other than an individual, which is wholly owned by Belarus or a Belarusian authority;
- (d) a person acting on behalf of or at the direction of a person within sub-paragraphs (a) to (c).

(3) Paragraph (1) is subject to Part 6 (Exceptions and licences).

(4) A person who contravenes the prohibition in paragraph (1) commits an offence.

(5) Nothing in this regulation prohibits compliance with an insurance or reinsurance agreement concluded before the date on which the Amendment Regulations 2021 come into force.

(6) For the purposes of this regulation—

- (a) “insurance and reinsurance services” include the provision of services relating to the extension or renewal of an insurance or reinsurance agreement, except where there is an obligation, which arose before the date on which the Amendment Regulations 2021 come into force, of the insurer or re-insurer to accept the extension or renewal;
- (b) paragraph (2)(d) does not include any person who is acting under a direction which is given in relation to a ship or aircraft for the purposes of docking, loading or unloading the ship or aircraft or for any purpose in connection with the safe transit of the ship or aircraft through Belarus or the airspace above it.

[^{F12}Provision of financial services relating to foreign exchange reserve and asset management

15CA.—(1) A person (“P”) must not provide financial services to a person mentioned in paragraph (2) where—

- (a) the financial services are for the purpose of foreign exchange reserve and asset management; and
- (b) P knows, or has reasonable cause to suspect, that the financial services are provided to such a person.

(2) The persons mentioned in this paragraph are—

- (a) the National Bank of Belarus,
 - (b) the Ministry of Finance of Belarus,
 - (c) a person owned or controlled directly or indirectly (within the meaning of regulation 7) by a person mentioned in sub-paragraphs (a) or (b), or
 - (d) a person acting on behalf of or at the direction of a person mentioned in sub-paragraphs (a) or (b).
- (3) Paragraph (1) is subject to Part 6 (Exceptions and licences).
- (4) A person who contravenes the prohibition in paragraph (1) commits an offence.]

Textual Amendments

- F12** Reg. 15CA inserted (5.7.2022) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2022 (S.I. 2022/748), regs. 1(2), 13

Interpretation of terms relating to other financial restrictions

15D.—(1) In this Chapter—

“Belarusian authority” means—

- (a) public bodies and agencies subordinate to the President of Belarus, including the Administration of the President of Belarus and the Committee of State Control;
- (b) the Council of Ministers of Belarus and each of its members;
- (c) any Ministry of the Government of Belarus;
- (d) any public body, agency or state concern subordinate to the Council of Ministers of Belarus;
- (e) any State Committee of Belarus;
- (f) the National Bank of Belarus; and
- (g) any local government body of Belarus, including the Councils of Deputies and Executive Committees;

[^{F13}“branch” means, in relation to a credit or financial institution, a place of business which forms a legally dependent part of that institution and which carries out all or some of the transactions inherent in the business of that institution;]

“credit or financial institution” means—

- (a) a person, other than an individual, which would satisfy the threshold conditions for permission under Part 4A of the Financial Services and Markets Act 2000 if it had its registered office (or if it does not have one, its head office) in the United Kingdom; or
- (b) an undertaking which by way of business—
 - (i) operates a currency exchange office,
 - (ii) transmits money (or any representation of monetary value) by any means, or
 - (iii) cashes cheques that are made payable to customers;

[^{F13}“foreign exchange reserve and asset management” means activities relating to the reserves or assets of the persons mentioned in paragraph (2) of regulation 15CA, such reserves or assets to include the following—

- (a) money market instruments (including cheques, bills and certificates of deposit),
- (b) foreign exchange,

- (c) derivative products (including futures and options),
- (d) exchange rate and interest rate instruments (including products such as swaps and forward rate agreements),
- (e) transferable securities,
- (f) other negotiable instruments and financial assets (including bullion),
- (g) special drawing rights;]

“non-UK country” means a country that is not the United Kingdom;

“relevant person” means—

- (a) Belarus;
- (b) a Belarusian authority;
- (c) a person, other than an individual, which is not a person within sub-paragraphs (d), (e) or (f) and which is wholly owned by Belarus or a Belarusian authority;
- (d) a credit or financial institution which is majority owned by Belarus or a Belarusian authority;
- (e) a person, other than an individual, which is—
 - (i) incorporated or constituted under the law of a non-UK country, and
 - (ii) majority owned by a person within sub-paragraph (d);
- (f) a person acting on behalf of or at the direction of a person within sub-paragraph (d) or sub-paragraph (e).

[^{F13}“subsidiary” has the meaning given by section 1159 of the Companies Act 2006;]

(2) The definition of “Belarusian authority” in paragraph (1) does not apply to any individual in their private capacity, and in that definition none of paragraphs (a) to (g) is to be taken to limit the meaning of any other of those paragraphs.

(3) For the purposes of this Chapter, a person (“C”) is “majority owned” by another person (“P”) if P—

- (a) holds directly or indirectly more than 50% of the shares in C, or
- (b) holds directly or indirectly more than 50% of the voting rights in C.

(4) For the purposes of this Chapter, a person (“C”) is “wholly owned” by another person (“P”) if P—

- (a) holds directly or indirectly 100% of the shares in C, or
- (b) holds directly or indirectly 100% of the voting rights in C.

(5) Schedule 1 applies for the purpose of interpreting paragraphs (3) and (4).]

[^{F14}(6) In this Chapter, the definition of “credit or financial institution” is to be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section and Schedule 2 to that Act.]

Textual Amendments

F13 Words in reg. 15D(1) inserted (5.7.2022) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2022 (S.I. 2022/748), regs. 1(2), 14(a)

F14 Reg. 15D(6) inserted (5.7.2022) by The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2022 (S.I. 2022/748), regs. 1(2), 14(b)

[^{F15}CHAPTER 3 Further Provision]

Textual Amendments

- F15** Pt. 3 Ch. 3 heading inserted (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **8**

Circumventing etc prohibitions

16.—(1) A person must not intentionally participate in activities knowing that the object or effect of them is, whether directly or indirectly—

- (a) to circumvent any of the prohibitions in [^{F16}[^{F17}Chapter] 1 or 2], or
 - (b) to enable or facilitate the contravention of any such prohibition.
- (2) A person who contravenes a prohibition in paragraph (1) commits an offence.

Textual Amendments

- F16** Words in [reg. 16\(1\)\(a\)](#) substituted (14.10.2021 at noon) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 2\) Regulations 2021 \(S.I. 2021/1146\)](#), regs. 1(2), **9**
- F17** Word in [reg. 16\(1\)\(a\)](#) substituted (5.7.2022) by [The Republic of Belarus \(Sanctions\) \(EU Exit\) \(Amendment\) Regulations 2022 \(S.I. 2022/748\)](#), regs. 1(2), **15**

Commencement Information

- I13** Reg. 16 not in force at made date, see [reg. 1\(2\)](#)
- I14** Reg. 16 in force at 31.12.2020 by [S.I. 2019/627](#), [reg. 12\(2\)](#); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)

Changes to legislation:

There are currently no known outstanding effects for the The Republic of Belarus (Sanctions) (EU Exit) Regulations 2019, PART 3.