

## SCHEDULE 1

### Amendment of Commission Implementing Regulation (EU) 2018/574

#### **Amendment of Commission Implementing Regulation (EU) 2018/574**

1. The Commission Implementing Regulation (EU) 2018/574 of 15 December 2017 on technical standards for the establishment and operation of a traceability system for tobacco products that applies to the United Kingdom, by virtue of regulation 3(1), is amended as follows.

#### **Chapter 1 (subject matter and definitions)**

2. In Article 1 (subject matter), for “the traceability system provided for in Article 15 of [Directive 2014/40/EU](#)” substitute “a traceability system for tobacco products”.

3. In Article 2 (definitions)—

- (a) in the first paragraph for “Article 2 of [Directive 2014/40/EU](#)” substitute “regulation 2 of the Tobacco Products (Traceability and Security Features) Regulations 2019”,
- (b) before paragraph 1 insert—

“(A1) ‘the Commissioners’ means the Commissioners for Her Majesty’s Revenue and Customs;”,
- (c) after paragraph 1 insert—

“(1A) ‘associated unit level code’ means a unique identifier relating to a unit pack of tobacco products that has been issued by a person outside the United Kingdom;”,
- (d) in paragraph 4, for “Union to a third country” substitute “United Kingdom to another country”,
- (e) in paragraph 7, after “of each unit level unique identifier” insert “, or each associated unit level code that has been paired with a unique identifier;”,
- (f) in paragraph 8 for “repositories system” substitute “data repository”,
- (g) in paragraphs 8 and 9, for “each” substitute “the”,
- (h) for paragraphs 13 and 14 substitute—

“(13) ‘data repository’ means a repository containing traceability data relating to tobacco products;”,
- (i) for paragraph 15 substitute—

“(15) ‘router’ means a device established within the data repository that transfers data to the repository;”,
- (j) omit paragraph 16,
- (k) in paragraph 17, for “databases common for all primary and secondary repositories” substitute “data stored in the data repository”,
- (l) for paragraph 18 substitute—

“(18) ‘working day’ means any day other than—

  - (a) a Saturday or a Sunday;
  - (b) Christmas Day or Good Friday; or

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- (c) a day which is a bank holiday under the Banking and Financial Dealings Act 1971<sup>(1)</sup> in any part of the United Kingdom;”.

## **Chapter 2 (technical specifications related to the Unique Identifier)**

### **4. In Article 3 (ID issuer)—**

- (a) for paragraph 1 substitute—

“1. The entity appointed by the Commissioners (the ‘ID Issuer’) is responsible for generating and issuing unique identifiers, in accordance with Articles 8, 9, 11 and 13.”,

- (b) in paragraph 2—

- (i) for “Member States shall ensure that an” substitute “An”,
- (ii) for “them” substitute “the Commissioners”,

- (c) in paragraph 4 for “Each” substitute “The”,

- (d) omit paragraphs 5 to 7,

- (e) for paragraph 8 substitute—

“8. The ID Issuer must at all times have in place an exit plan—

- (a) that establishes the procedure to be followed to guarantee the continuity of the operation of the service, in the event that a successor entity is to be appointed to carry out the service, until the new ID issuer is appointed, and
- (b) that has been approved by the Commissioners.”.

### **5. Omit Article 4 (competent ID issuers for generating and issuing unique identifiers).**

### **6. In Article 5 (validity of unique identifiers and deactivation)—**

- (a) in paragraph 1—

- (i) for “ID issuers” substitute “the ID Issuer”,
- (ii) for “or aggregated” in both places it occurs substitute “, or to be paired with associated unit level codes to be used to mark unit packets, or mark aggregated”,

- (b) in paragraph 2, for “repositories system” substitute “data repository”,

- (c) in paragraph 3—

- (i) omit from “manufacturers and importers may” to “. Other”,
- (ii) after “deactivation request” in the second place it occurs insert “to the data repository”.

### **7. In Article 6 (marking by means of unit level UIs)—**

- (a) for paragraph 1 substitute—

“1. Manufacturers and importers must mark each unit packet manufactured or imported into the United Kingdom with:

- (a) a unique identifier (‘unit level UI’) compliant with Article 8, or
- (b) an associated unit level code that relates to the same unit packet that has been paired with a unit level UI compliant with Article 8.”,

- (b) in paragraph 2—

- (i) for “outside the Union” substitute “outside the United Kingdom”,

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(1) 1971 c. 80.

- (ii) after “unit level UI,” insert “or the associated unit level code that is paired with a unit level UI”,
  - (iii) for “in the Union” substitute “into the United Kingdom”.
- 8.** In Article 7 (verification of unit level UIs)—
- (a) in paragraph 1—
    - (i) for “is directly” substitute “, or of associated unit level codes that are paired with unit level UIs, are directly”,
    - (ii) after “those unit level UIs” insert “, or those associated unit level codes that are paired with unit level UIs,”,
  - (b) in paragraph 2, for “the relevant Member States and the Commission” substitute “HMRC”,
  - (c) in paragraph 3—
    - (i) after “readability of the unit level UI” insert “, or of the associated unit level code that is paired with a unit level UI”,
    - (ii) after “re-apply the unit level UI” insert “or the associated unit level code that is paired with a unit level UI”,
  - (d) in paragraph 5, for “Member States” substitute “HMRC”,
  - (e) in paragraph 6, omit point (a).
- 9.** In Article 8 (structure of unit level UIs)—
- (a) in paragraph 1—
    - (i) for “unit packet of tobacco products shall be marked with a unit level UI. It” substitute “unit level UI”,
    - (ii) in point (c)(vii), for “the Union” substitute “the United Kingdom”,
  - (b) in paragraph 2, for “ID issuers” substitute “The ID issuer”,
  - (c) in paragraph 4, in the second subparagraph omit from “Where ID issuers” to “and compression.”.
- 10.** In Article 9 (request and issuing of unit level UIs)—
- (a) in paragraph 1, omit “competent”,
  - (b) in paragraphs 3(b) and 4(b), for “primary repository of the requesting manufacturer or importer” substitute “data repository”,
  - (c) in paragraph 4—
    - (i) for “a Member State” insert “HMRC”,
    - (ii) for “ID issuers” substitute “the ID issuer”.
- 11.** After Article 9 insert—

*“Article 9A*

*Request to pair associated unit level codes and unit level UIs*

**1.** Manufacturers and importers may send a request to the ID issuer to pair associated unit level codes, referred to in Article 6(1)(b), with unit level UIs. Requests must be sent electronically, in accordance with Article 36.

**2.** A request under paragraph 1 must contain the information specified in point 3.A1 of Section 3 of Chapter 2 of Annex 2.”.

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12. In Article 10 (marking by means of aggregated level UIs)—
  - (a) in paragraph 1, for “Article 15(5) of [Directive 2014/40/EU](#)” substitute “Article 32(1)(c), (d) and (e) of this Regulation”,
  - (b) in paragraphs 2 and 3, omit “competent”.
13. In the heading to Article 11 (structure of aggregated level UIs generated by ID Issuers) for “ID issuers” substitute “the ID Issuer”.
14. In Article 11—
  - (a) in paragraph 1, omit “competent”,
  - (b) in paragraph 2, for “ID issuers” substitute “The ID issuer”.
15. In Article 12 (link between UI levels)—
  - (a) in paragraph 1, for “repositories system” substitute “data repository”,
  - (b) omit paragraph 2,
  - (c) in paragraph 3—
    - (i) omit “other than manufacturers and importers”,
    - (ii) for “secondary” substitute “data”.
16. In the heading to Article 13 (request and issuing of aggregated UIs generated by ID issuers) for “ID issuers” substitute “the ID Issuer”.
17. In Article 13—
  - (a) in paragraph 1, omit “competent”,
  - (b) in paragraph 3(b) for “primary repository of the requesting manufacturer or importer, as established under Article 26” substitute “data repository”,
  - (c) in paragraph 4(b) for “secondary repository established under Article 27” substitute “data repository”,
  - (d) in paragraph 6, for “competent ID issuers” substitute “the ID issuer”.

### **Chapter 3 (identifier codes for economic operators, facilities and machines)**

18. In Article 14 (request for an economic operator code)—
  - (a) in paragraph 1, omit from “competent for” to the end,
  - (b) in paragraph 3, for “registered economic operator” substitute “economic operator registered with the ID Issuer”,
  - (c) omit paragraph (4).
19. In Article 15 (issuing and registration of economic operator identifier codes)—
  - (a) in paragraph 3 omit “competent”,
  - (b) in paragraph 4—
    - (i) for “Member States” substitute “the Commissioners”,
    - (ii) for “their national laws” substitute “Part 6 of the Tobacco Products (Traceability and Security Features) Regulations 2019”,
    - (iii) for “the Member State” substitute “the Commissioners”.
20. In Article 16 (request for a facility identifier code)—
  - (a) in paragraph 1, omit from “competent for” to the end,

- (b) in paragraph 3, for “registered economic operator” substitute “economic operator registered with the ID Issuer”,
  - (c) in paragraph 4—
    - (i) in the first place it occurs for “the Union” substitute “the United Kingdom”,
    - (ii) omit from “established inside the Union” to “their products”,
    - (iii) omit “third country” in both places it occurs.
- 21.** In Article 17 (issuing and registration of a facility identifier code)—
- (a) in paragraph 3, omit “competent”,
  - (b) in paragraph 4, for “Member States” and for “the Member State” substitute “the Commissioners”.
- 22.** In Article 18 (request for a machine identifier code)—
- (a) in paragraph 1, omit from “competent for” to the end,
  - (b) in paragraph 3—
    - (i) in the first place it occurs for “Union” substitute “United Kingdom”,
    - (ii) omit from “established inside the Union” to “their products”,
    - (iii) omit “third country” in both places it occurs.
- 23.** In Article 19 (issuing and registration of a machine identifier code)—
- (a) in paragraph 3 omit “relevant”,
  - (b) in paragraph 4, for “Member States” and for “the Member State” substitute “the “Commissioners””.
- 24.** In Article 20 (transfer of offline flat-files and registries)—
- (a) in paragraph 1 for “ID issuers” substitute “The ID issuer”,
  - (b) in paragraph 2 omit “per ID issuer”,
  - (c) in paragraph 3—
    - (i) for “ID issuers” substitute “The ID issuer”,
    - (ii) for “secondary” substitute “data”,
  - (d) in paragraph 4—
    - (i) for “Member States” substitute “The Commissioners”,
    - (ii) omit “and the total number of ID issuers”.

#### **Chapter 4 (data carriers)**

- 25.** In Article 21 (data carriers for UIs)—
- (a) in paragraph 1 after “Unit level UIs” insert “, or associated unit level codes that are paired with unit level UIs,”,
  - (b) in paragraph 2 after “encoding unit level UIs” insert “, or associated unit level codes that are paired with unit level UIs,”,
  - (c) in paragraph 3 for “ID issuers are” substitute “the ID issuer is”.
- 26.** In Article 23(1) (human-readable code) for “repositories system” substitute “data repository”.

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## **Chapter 5 (repositories system)**

**27.** In the heading to Chapter 5, for “REPOSITORIES SYSTEM” substitute “DATA REPOSITORY”.

**28.** In the heading to Article 24 (components of the repositories system), for “repositories system” substitute “data repository”.

**29.** In Article 24—

(a) in paragraph 1—

(i) in the opening words, for “repositories system” substitute “data repository”,

(ii) in point (a)—

(aa) for “repositories which are” substitute “a repository which is”,

(bb) omit “(‘primary repositories’),”

(iii) omit point (b),

(iv) in point (c) for “secondary repository system” substitute “data repository”,

(b) in paragraph 2 omit from “, irrespective of” to the end.

**30.** In the heading to Article 25 (general characteristics of the repositories system), for “repositories system” substitute “data repository”.

**31.** In Article 25—

(a) in paragraph 1—

(i) in the opening words for “repositories system” substitute “data repository”,

(ii) omit point (a),

(iii) in point (d)—

(aa) for “repositories system” substitute “data repository”,

(bb) for “ID issuers” substitute “the ID issuer”,

(iv) in points (e), (g) and (h), for “repositories system” substitute “data repository”,

(v) in point (f), for “Member States and the Commission” substitute “HMRC”,

(vi) in point (j) for “repositories” substitute “data repository”,

(vii) for point (k) substitute—

“(k) it must be accessible by HMRC. Administrators designated by the Commissioners must be granted access rights enabling them to create, manage, and withdraw user access rights for the data repository. Administrators designated by the Commissioners must be able to grant subsequent access rights to other users under their responsibility;”

(viii) in point (l)—

(aa) for “Member States and the Commission” substitute “HMRC”,

(bb) for “a repository” substitute “the data repository”,

(b) in paragraph 2—

(i) for “repositories system” substitute “data repository”,

(ii) omit “[Directive 2014/40/EU](#) and”.

**32.** For the heading to Article 26 (primary repository) substitute “The data repository: establishment”.

**33.** In Article 26—

- (a) in paragraph 1—
    - (i) for “Each manufacturer and importer” substitute “The service provider appointed by the Commissioners”,
    - (ii) for “primary repository” substitute “data repository”,
    - (iii) omit from “To that end” to the end,
  - (b) in paragraph 2—
    - (i) for “Each primary repository” substitute “The data repository”,
    - (ii) for “the manufacturer or importer who contracted the repository” substitute “manufacturers and importers”,
  - (c) omit paragraphs 3 and 4,
  - (d) in paragraph 5—
    - (i) for “Primary repositories” substitute “The data repository”,
    - (ii) for “provided by the secondary repository” substitute “established under Article 28(2)”,
  - (e) in paragraph 6—
    - (i) for “Member States, the Commission, and external auditors approved by the Commission” substitute “HMRC”,
    - (ii) for “a primary” substitute “the data”.
- 34.** For the heading to Article 27 (secondary repository) substitute “The data repository: technical requirements”.
- 35.** In Article 27—
- (a) omit paragraph 1,
  - (b) in paragraph 2—
    - (i) for “secondary” substitute “data”,
    - (ii) for “Member States and the Commission” substitute “HMRC”,
    - (iii) for “repositories system” substitute “data repository”,
    - (iv) in point (c) for “system” substitute “data repository”,
  - (c) in paragraph 3 for “each Member State and the Commission” substitute “HMRC”,
  - (d) in paragraph 4—
    - (i) for “Member States and the Commission” substitute “HMRC”,
    - (ii) for “national authorities and the Commission” substitute “HMRC”,
  - (e) in paragraph 5—
    - (i) for “Member States and the Commission” substitute “HMRC”,
    - (ii) for “repositories system” substitute “data repository”,
  - (f) in paragraph 6 for “the official languages of the Union” substitute “English”,
  - (g) in paragraph 8 for “primary and secondary repositories” substitute “data repository”,
  - (h) in paragraph 9 for “Member States” substitute “HMRC”,
  - (i) in paragraph 10 for “secondary” substitute “data”,
  - (j) in paragraph 11—
    - (i) for “Member States and the Commission shall” substitute “The Commissioners”,
    - (ii) for “secondary”, in both places it occurs, substitute “data”,

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(k) omit paragraph 12.

**36.** In the heading to Article 28 (coordination tasks of the provider of the secondary repository) for “secondary” substitute “data”.

**37.** In Article 28—

(a) in paragraph 1—

(i) for “secondary”, in each place it occurs, substitute “data”,

(ii) for “providers operating primary repositories, ID issuers” substitute “the ID issuer”,

(b) in paragraph 2—

(i) for “secondary”, in the first place it occurs, substitute “data”,

(ii) omit from “The common data dictionary shall be communicated” to the end,

(c) in paragraph 3 —

(i) for “repositories system” substitute “data repository”,

(ii) for “secondary”, in the first place it occurs, substitute “data”,

(iii) omit from “and the common data dictionary” to the end.

**38.** In Article 29 (router)—

(a) in paragraph 1 for “secondary” substitute “data”,

(b) in paragraph 2 for “primary and secondary repositories” substitute “data repository”,

(c) in paragraph 3 for “an ID issuer” substitute “the ID Issuer”,

(d) in paragraph 4—

(i) omit “other than manufacturers and importers”,

(ii) omit “pursuant to Article 15 of [Directive 2014/40/EU](#) and”,

(iii) omit from “shall transfer it to” to “of those data”,

(iv) for “secondary repository system” substitute “data repository”.

**39.** In the heading to Article 30 (costs of the repositories system) for “repositories system” substitute “data repository”.

**40.** In Article 30—

(a) in paragraph 1 for “repositories system” substitute “data repository”,

(b) in paragraph 2—

(i) for “secondary” substitute “data”,

(ii) for “providers of the primary repositories” substitute “provider of the data repository”.

**41.** Omit Article 31 (deadline for the establishment of the repositories system).

## **Chapter 6 (recording and transmitting)**

**42.** In Article 32 (recording and transmission of information on product movements)—

(a) in paragraph 1—

(i) for “Union” substitute “United Kingdom”,

(ii) in point (a), after “unit level UIs” insert “, or of associated unit level codes that have been paired with unit level UIs”,

(b) in paragraph 2—



- (i) for “Manufacturers and importers” substitute “Economic operators”,
  - (ii) for “primary repository contracted by them” substitute “router”,
  - (iii) omit from “All other economic operators” to the end,
- (c) in paragraphs 3 and 4—
- (i) for “manufacturers and importers” substitute “economic operators”,
  - (ii) for “primary repository contracted by them” substitute “router”,
  - (iii) omit from “All other economic operators” to the end,
- (d) in paragraph 5 for “Union, Member States in which the dispatch facility is located” substitute “United Kingdom, the Commissioners”,
- (e) in paragraph 7 omit “the primary repository or”,
- (f) after paragraph 7 insert—

“8. In the case of tobacco products that are marked with associated unit level codes paired with unit level UIs issued by the ID Issuer, where the information listed in Section 3 of Chapter 2 of Annex 2, as referred to in paragraphs 2, 4 and 5, refers to “unit packet level UIs” that reference is to be treated as a reference to the associated unit level code.”.

**43.** In Article 33 (recording and transmission of transactional information)—

- (a) in paragraph 1, for “To allow the determination of the transactional information referred to in Article 15(2), points (j) and (k) of [Directive 2014/40/EU](#), economic” substitute “Economic”,
- (b) in paragraph 2—
  - (i) for “Manufacturers and importers” substitute “Economic operators”,
  - (ii) for “primary repository contracted by them” substitute “router”,
  - (iii) omit from “All other economic operators” to the end,
- (c) in paragraph 4 omit “the primary repositories or”,
- (d) after paragraph 4 insert—

“(5) In the case of tobacco products that are marked with associated unit level codes paired with unit level UIs issued by the ID Issuer, where the information listed in Section 4 of Chapter 2 of Annex 2, as referred to in paragraph 2, refers to “unit packet level UIs” that reference is to be treated as a reference to the associated unit level code.”.

**44.** In Article 34(4) (time frame for transmission of required information), omit point (a).

**Chapter 7 (final provisions)**

**45.** In Article 35 (independence)—

- (a) in paragraph 1 for “ID issuers, providers of repository services and” substitute “The ID issuer, the provider of the data repository and providers of”,
- (b) omit paragraphs 4, 6 and 9,
- (c) in paragraphs 3 and 5, for “ID issuers, providers of repository services” substitute “the ID issuer, the provider of the data repository”,
- (d) in paragraph 5 for “the relevant Member States and to the Commission” substitute “HMRC”,
- (e) in paragraph 7—

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- (i) for “ID issuers, providers of repository services” substitute “The ID issuer, the provider of the data repository”,
- (ii) for “the relevant Member States and the Commission” substitute “HMRC”.

**46.** In Article 36 (security and interoperability of communications and data)—

- (a) in paragraph 1—
  - (i) omit point (b),
  - (ii) in point (c) for “secondary”, in both places it occurs, substitute “data”,
  - (iii) in point (c)(i) for “issuers” substitute “issuer”,
  - (iv) after point (c)(i) insert “and”,
  - (v) omit point (c)(ii) and the “and” after that point,
  - (vi) in point (c)(iii) omit “, i.e. economic operators other than manufacturers and importers”,
- (b) in paragraph 2, for “Providers of primary and secondary repositories” substitute “The provider of the data repository”.

**47.** Omit—

- (a) Article 37 (transitional provisions),
- (b) Article 38 (entry into force),
- (c) the application provision that is after Article 38,
- (d) Annex 1.

**48.** In Annex 2—

- (a) after the heading—
  - (i) in the first and second paragraphs for “ID issuers and providers of data repositories” substitute “the ID issuer and the provider of the data repository”,
  - (ii) in the third paragraph for “ID issuers and providers of data repositories” substitute “The ID issuer and the provider of the data repository”,
- (b) in Chapter 1 (field descriptions), in the table in Section 1 (data type)—
  - (i) in the rows marked “TPID” and “PN”, in the second column (description) for “EU-CEG” substitute “CEG”,
  - (ii) in the row marked “MRN”, in the second column for “Member State” substitute “country”,
  - (iii) after the row marked “upUI(s)” insert—

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“upUI(M)	Unit packet level unique LECNIzzzz000010000SLE” identifier coded with the invariant set of ISO646:1991 and composed of 2 blocks: ID Issuer’s prefix in accordance with ISO154592:2015, middle block in the format established by the ID issuer
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- (c) in Chapter 2 (messages)—

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- (i) in the tables in point 1.1 (request for an economic operator identifier code) and point 1.2 (correction of information) of Section 1 (identifier codes), omit the rows marked “OtherEOID\_R” and “OtherEOID\_N”,
- (ii) in the tables in point 1.4 (request for a facility identifier code) and 1.5 (correction of information) of Section 1, in the row marked “OtherFID\_R” in the seventh column (values) for “EU” substitute “UK”,
- (iii) in the table in point 2.1 (request for unit level UIs) of Section 2 (unique identifiers)—
  - (aa) in the row marked “EO\_ID”, in the third column (comments) omit “EU” in both places it occurs,
  - (bb) in the rows marked “TP\_ID” and “TP\_PN”, in the third column for “EU-CEG” substitute “CEG”,
  - (cc) in the rows marked “TP\_ID” and “TP\_PN”, in the sixth column (priority) for “an EU country” substitute “the UK”,
  - (dd) in the row marked “Intended\_Route2”, in the third column for “Member State” substitute “country” in both places it occurs,
  - (ee) in the row marked “Import” in the third column for “EU” substitute “UK”,
- (iv) after the section heading for Section 3 (recording and transmission of information) insert—

**“3. Pairing between marked codes and virtual paired codes**

Field	Comments	Data Type	Cardinality	Priority	Values
EO_ID	Economic operator identifier code of the submitting entity	EOID	S	M	
Message_Time	Time that the message is first submitted to the Gateway, Long format.	Time(L)	S	M	
Event_Time	Time of event occurrence	Time(s)	S	M	
upUI	List of paired codes		S	M	
upID	Code pairing detail		M	M	
upID Printed_Code	Unit packet level UID marked on packs	upUI(L)	S	M	

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upID            Paired UID    upUI(M)      S                    M”  
Paired\_Code

- (v) in the table in point 3.3 (dispatch of tobacco products from a facility) of Section 3—
  - (aa) in the row marked “Destination\_ID1”, in the third column (comments), for “on the EU territory” substitute “in the UK”,
  - (bb) in the row marked “Transport\_mode” in the third column omit “, see: [Commission Regulation \(EC\) No 684/2009](#), Annex II, Code List 7”,
  - (cc) in the row marked “Transport\_s1” in the third column, omit “accepted by the Member State of the dispatch facility” and for “third” substitute “other”,
- (vi) in the table in point 3.5 (transloading)—
  - (aa) in the row marked “Destination\_ID1” in the third column (comments) for “on the EU territory” substitute “in the UK”,
  - (bb) in the row marked “Transport\_mode” in the third column omit “, see: [Commission Regulation \(EC\) No 684/2009](#), Annex II, Code List 7”,
- (vii) in the tables in points 4.1 (issuing of the invoice) and 4.3(receipt of the payment) of Section 4 (transactional events) for “EU” substitute “UK” in each place it occurs.