

Regulations made by the Secretary of State, laid before Parliament under section 55(3) of the Sanctions and Anti-Money Laundering Act 2018, for approval by resolution of each House of Parliament within twenty-eight days beginning with the day on which the instrument is made, subject to extension for periods of dissolution or prorogation or during which both Houses are adjourned for more than four days.

STATUTORY INSTRUMENTS

2024 No. 218

SANCTIONS

The Russia (Sanctions) (EU Exit) (Amendment) Regulations 2024

<i>Made</i>	- - - -	<i>26th February 2024</i>
<i>Laid before Parliament</i>		<i>28th February 2024</i>
<i>Coming into force</i>	- -	<i>1st March 2024</i>

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, 5, 15(2)(b), 17, 21(1), 45(1)(b) and 54(1) of, and paragraphs 3(e), 13(f) and 17(d) of Schedule 1 to, that Act.

Citation and commencement

1.—(1) These Regulations may be cited as the Russia (Sanctions) (EU Exit) (Amendment) Regulations 2024.

(2) These Regulations come into force on 1st March 2024.

Insertion of Chapter 4JC into the Russia (Sanctions) (EU Exit) Regulations 2019

2. After regulation 46Z16P of the Russia (Sanctions) (EU Exit) Regulations 2019⁽³⁾ (brokering services relating to diamonds and diamond jewellery) insert—

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- (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 an “appropriate Minister” as including the Secretary of State.
- (2) 2018 c. 13. Section 1 is amended by the Economic Crime (Transparency and Enforcement) Act 2022 (c. 10) (“the 2022 Act”), section 57(2) and by the Economic Crime and Corporate Transparency Act 2023 (c. 56) (“the 2023 Act”) section 35(2). Section 15 is amended by the 2023 Act, section 35(5). Section 17 is amended by the 2023 Act, section 214(3) and by S.I. 2022/500 and 2023/149. Section 45 is amended by the 2022 Act, sections 57(4) and 62(3). See section 62(1) for the meaning of “prescribed”.
- (3) S.I. 2019/855 as amended by S.I. 2020/590 and 951, 2022/123, 194, 195, 203, 205, 241, 395, 452, 477, 500, 792, 801, 814, 818, 850, 1110, 1122 and 1331 and 2023/149, 440, 665, 713, 1364 and 1367 and by the Sentencing Act 2020 (c. 17).

“CHAPTER 4JC

Certain diamonds processed in a third country

Interpretation

46Z16Q.—(1) In this Chapter—

“diamonds” means any thing falling within—

- (a) the following commodity codes—
 - (i) 7102 10 (unsorted diamonds);
 - (ii) 7102 39 (non-industrial diamonds, other than unworked or simply sawn, cleaved or bruted); and
- (b) both commodity code ex 7102 31 and the description “non-industrial diamonds, simply sawn, cleaved or bruted”;

“relevant day” means—

- (a) 1st March 2024 in relation to any diamonds which are equal to or larger than 1 carat;
- (b) 1st September 2024 in relation to any diamonds which are equal to or larger than 0.5 carats;

“relevant processed diamonds” means diamonds which—

- (a) have been processed in a third country; and
- (b) originate in Russia;

“third country” means a country that is not the United Kingdom, the Isle of Man or Russia.

(2) Paragraph 1 of Schedule 3 applies for the purposes of interpreting the definition of diamonds in paragraph (1).

(3) For the purposes of this Chapter, diamonds are processed where they are—

- (a) altered;
- (b) transformed in any way; or
- (c) subjected to any other type of operation or process.

Import of relevant processed diamonds

46Z16R.—(1) The import of relevant processed diamonds, on or after the relevant day, is prohibited.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

Technical assistance relating to relevant processed diamonds

46Z16S.—(1) A person must not on or after the relevant day directly or indirectly provide technical assistance relating to the import of relevant processed diamonds.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes a prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with an offence of contravening paragraph (1) to show that the person did not know and had no reasonable cause to suspect that the technical assistance related to an import described in that paragraph.

Financial services and funds relating to relevant processed diamonds

46Z16T.—(1) A person must not on or after the relevant day directly or indirectly provide financial services or funds in pursuance of or in connection with an arrangement whose object or effect is the import of relevant processed diamonds.

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes a prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with the offence of contravening paragraph (1) to show that the person did not know and had no reasonable cause to suspect that the financial services or funds (as the case may be) were provided in pursuance of or in connection with an arrangement mentioned in that paragraph.

Brokering services relating to relevant processed diamonds

46Z16U.—(1) A person must not on or after the relevant day directly or indirectly provide brokering services in relation to any arrangements described in regulation 46Z16T(1).

(2) Paragraph (1) is subject to Part 7 (Exceptions and licences).

(3) A person who contravenes a prohibition in paragraph (1) commits an offence, but it is a defence for a person charged with the offence of contravening paragraph (1) to show that the person did not know and had no reasonable cause to suspect that the brokering services were provided in relation to an arrangement mentioned in that paragraph.”.

Anne-Marie Trevelyan
Minister of State

Foreign, Commonwealth and Development
Office

26th February 2024

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) to amend the Russia (Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/855) (“the 2019 Regulations”). Regulation 2 creates new trade prohibitions in the 2019 Regulations relating to the import of certain diamonds which originate in Russia and are processed in a third country and ancillary activities relating to such imports.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, public or voluntary sector is foreseen. A de minimis assessment has been prepared as this instrument is likely to entail some costs for businesses, but the net impact is estimated to be below £10 million per year.