

## **Introduction**

The Treasury has issued this guidance to assist in the implementation of, and compliance with the Somalia (Sanctions) (EU Exit) Regulations 2020, as those Regulations have effect in the Isle of Man.

The policy of the Isle of Man Government is to maintain the implementation of international sanctions measures in the Isle of Man in line with such measures that have effect in the United Kingdom from time to time.

## **Legislation**

The Somalia (Sanctions) (EU Exit) Regulations 2020 have effect in the Isle of Man by the Somalia Sanctions (Application) Regulations 2020 [[SD 2020/0482](#)] (“the Regulations”).

This document contains guidance on the prohibitions and requirements imposed by the Regulations. In addition it provides guidance on best practice from complying with the prohibitions and requirements; the enforcement of them; and circumstances where they do not apply.

## **Further guidance**

This document should be read alongside the [Financial Sanctions - General Guidance](#).

## **Contact details for enquiries**

Enquiries concerning this Notice may be made by –

- Email [customs@gov.im](mailto:customs@gov.im)
- Telephone 01624 648109

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## **1. Prohibitions and requirements imposed by the Regulations**

These Regulations impose financial, trade and immigration sanctions for the purpose of giving effect to the Island's obligations under United Nations Security Council Resolutions 733 (1992), 1844 (2008), 2036 (2012), 2498 (2019) and 2551 (2020) aimed at promoting the peace, stability and security of Somalia.

In order to achieve their stated purposes, the Regulations impose a number of prohibitions and requirements in order to enforce these, the Regulations establish penalties and offences. These are set out in detail in the Annex.

The sanctions imposed by these Regulations apply within the territory of the Isle of Man (IOM) and in relation to the conducts of all Island persons wherever they are in the world. Island person includes -

- (a) a British citizen, a British overseas territories citizen, a British National (Overseas) or a British overseas citizen who is resident in the Isle of Man;
- (b) a person who under the British Nationality Act 1981 (of Parliament)<sup>1</sup> is a British subject who is resident in the Isle of Man;
- (c) a British protected person within the meaning of that Act who is resident in the Isle of Man; or
- (d) a body incorporated under the law of the Isle of Man.

The maritime enforcement powers contained in Part 9 of the Regulations apply in relation to Manx ships in international or foreign waters, ships without nationality in international waters and foreign ships in international waters.

It is prohibited to intentionally participate in any activities if you know that the object or effect of them is to directly or indirectly circumvent the prohibitions imposed by these Regulations or to enable or facilitate the contravention of those prohibitions.

If you are unclear about any aspects of the Regulations, in particular about whether action you are considering taking could contravene these Regulations, you are advised to seek independent legal advice.

Prohibitions and requirements for the financial, trade and immigration sanctions contained in these Regulations are set out below.

### **1.1 Designation of persons**

Where the UK Secretary of State has designated a person, that designation also has effect in the Isle of Man from the same time, and any variation or revocation of the designation will also have effect in the Island.

When these Regulations are in force a list of those persons designated under these Regulations and details of the sanctions in respect of which they have been designated, will be on [GOV.UK](https://www.gov.uk)

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<sup>1</sup> 1981 Chapter 61.

## 1.2 Financial sanctions

### Asset freeze

The Regulations impose financial sanctions through a targeted asset freeze on designated persons and prohibitions on making funds or economic resources available. This involves the freezing of funds and economic resources (non-monetary assets, such as property or vehicles) of designated persons and ensuring that funds and economic resources are not made available to or for the benefit of designated persons or entities, either directly or indirectly.

More information on asset freezes can be found in the [Financial Sanctions - General Guidance](#).

## 1.3 Trade sanctions

The Regulations impose trade prohibitions relating to:

- military goods and military technology (as specified in [Schedule 2 to the Export Control Order 2008](#))
- improvised explosive devices (IED) components goods and technology (as specified in Part 3 of Schedule 2 to the Regulations, other than anything specified in Schedule 2 to the Export Control Order 2008)
- the provision of technical assistance, armed personnel, financial services or funds or brokering services, where such provision enables or facilitates the conduct of armed hostilities
- charcoal consigned from and originating from Somalia

There are circumstances (set out in the relevant lists of controlled items) in which certain items are not controlled, for example when body armour or a helmet is accompanying a person for that person's own protection. Please check the relevant lists as applicable.

A number of goods subject to prohibitions in the Regulations are identified by reference to commodity codes in the Goods Classification Table<sup>2</sup>. The UK Tariff sets out a system for the classification of goods to enable importers to ascertain the applicable rate of import duty for their goods. It is this system of classification that is used in the Regulations in order to determine whether goods are within scope of the prohibitions.

This means that where commodity codes are used in the Regulations, the relevant goods are those which would be classified under the relevant commodity code (applying the rules in the UK Tariff) if the goods were being imported to the Island or the UK.

Some of the listings of commodity codes in the Regulations have an "ex" before the code. Where this "ex" appears before a commodity code this means that the prohibitions in the Regulations do not apply to all of the items under that commodity code. The prohibitions will only apply to those items that (1) would be classified under the commodity code and (2) that match the description given next to the relevant "ex" code entry in the Regulations.

Further detail on these trade prohibitions, including key terminology used, is explained below. Please have regard to the relevant legislation which contains full definitions of terms used here.

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<sup>2</sup> "the Goods Classification Table" means the table in Annex I in Part Three of the Tariff of the United Kingdom (<https://www.gov.uk/government/publications/reference-document-for-the-customs-tariff-establishment-eu-exitregulations-2020>)

## **Export of goods**

The concept of "export" is set out in customs legislation, but is further detailed in the Regulations, which clarifies that "export" means export from the Isle of Man, but does not capture where goods are removed to the United Kingdom from the Isle of Man.

The export prohibitions in the Regulations cover -

- exports to Somalia as well as exports that are for use in Somalia. This means that, even if the immediate destination is not Somalia, the prohibition may still apply
- exports to a designated person (this applies to military goods only). This means that, even if the immediate consignee is not a designated person, the prohibition may still apply.

Exporters should check the ultimate end use of goods and may apply for a licence or contact the [Export Control Joint Unit](#) (ECJU) if they think the items may be exported to or for use in Somalia, or if they know or think the items may be exported to a designated person.

## **Supply and delivery of goods**

Supply and delivery prohibitions in the Regulations prohibit a person from directly or indirectly supplying or delivering:

1. goods from a third country to a place in Somalia. Regulation 22 specifies that a third country is a country that is not the UK, Isle of Man or Somalia
2. goods from a third country to a designated person (this applies to military goods only). Regulation 29 specifies that a third country is a country that is not the UK or the Isle of Man

Entry into Somali ports for temporary visits of vessels carrying military goods and military technology for defensive purposes does not amount to a "delivery" of such items so is not prohibited, provided that such items remain at all times aboard such vessels.

## **Making goods and technology available**

Prohibitions in the Regulations on making goods or technology available (e.g. through a sale) include directly or indirectly making them available:

1. for use in Somalia or to a person "connected with" Somalia. Regulation 20(4) sets out when a person is to be regarded as "connected with" Somalia (and this applies where the term is used in other trade prohibitions in this Part of the Regulations)
2. to a designated person (this applies to military goods and military technology only)

## **Transfer of technology**

Prohibitions in the Regulations on the transfer of technology include:

1. transfer to a place in Somalia or a person "connected with" Somalia
2. transfer to a designated person (this applies to military technology only)

The term 'transfer' means a transfer by any means (or combination of means), including oral communication and that transfer of goods on which the technology is recorded or from which it can be derived, other than the export of such goods.

Where military or IED component technology is contained within a good, it would be classified as a military or IED component good under the accompanying goods-related provisions. This includes information contained on USB memory devices, laptops, tablets and the like.

### **Technical assistance**

The term "technical assistance" in relation to goods or technology is defined in regulation 20, which states that (except in regulations 35 and 36) it means:

- technical support relating to the repair, development, production, assembly, testing, use or maintenance of the goods or technology, or
- any other technical service relating to the goods or technology

The Regulations prohibit the direct or indirect provision of technical assistance relating to military goods or military technology:

1. to persons connected with Somalia
2. to a designated person
3. where the goods are for use in Somalia.

This means that, even if the person to whom you are providing the relevant technical assistance is not in or "connected with Somalia", the prohibition may still apply if the goods or technology to which the technical assistance relates are for use in Somalia.

Therefore, if you are providing technical assistance you should check whether the goods or technology may be used in Somalia or may be used by a designated person and apply for a licence or contact [ECJU](#) if so.

### **Financial services and funds related to goods and technology**

'Financial services' refer to any services of a financial nature in many different forms including insurance and banking. Financial services include payment and money transmission services. The full definition of 'financial services' can be found in the Regulations.

'Funds' means financial assets and benefits of every kind, including cash, securities and interest. The full definition of 'funds' can be found in the Regulations.

Trade sanctions prohibitions on the provision of financial services and funds apply where they relate to certain specified goods or technology.

The prohibitions in the Regulations apply to the direct or indirect provision of financial services, and the direct or indirect making available of funds relating to military goods or military technology, to -

- persons connected with Somalia or
- a designated person

in pursuance of or in connection with an arrangement set out in the Regulations, as set out in regulations 26(1) and 33(1). This captures arrangements related to the military goods or military technology controlled by the Regulations, for example an arrangement for the export of military goods, or the direct or indirect supply or delivery of military goods.

These prohibitions also prohibit the direct or indirect provision of financial services and funds to anyone, where this is in pursuance of or in connection with specific arrangements, as set out in regulations 26(3) and 33(3). This captures arrangements the object or effect of which falls into one of the prohibitions, for example an arrangement for the export of goods to or for the benefit of a designated person.

## **Brokering services**

The definition of 'brokering services' is set out in regulation 20, which states that it means any service to secure, or otherwise in relation to, an arrangement, including (but not limited to):

- the selection or introduction of persons as parties or potential parties to the arrangement
- the negotiation of the arrangement
- the facilitation of anything that enables the arrangement to be entered into, and the provision of any assistance that in any way promotes or facilitates the arrangement

The Regulations prohibit the direct or indirect provision of brokering services where they relate to specific arrangements concerning military goods or military technology. Those arrangements are set out in regulations 27 and 34.

## **Other service provisions**

Certain services are prohibited in the Regulations. These include the provision of services where such provision enables or facilitates the conduct of armed hostilities in Somalia.

As set out in regulations 35 and 36, the direct or indirect provision of the following services to a designated person, or to a person other than a designated person is prohibited where such provision enables or facilitates the conduct of armed hostilities in Somalia:

- (a) the provision of technical assistance
- (b) the provision of armed personnel
- (c) the provision of financial services or funds, or
- (d) the provision of brokering services in relation to an arrangement whose object or effect is to provide, in a non-UK country any of the services mentioned in paragraphs (a) - (c).

## **Import of charcoal**

The concept of "import" is set out in customs legislation, which clarifies in particular that goods removed to the Isle of Man from the United Kingdom are not to be regarded as imported, subject to some exceptions.

The import prohibition in the Regulations covers the import of charcoal consigned from Somalia and originating from Somalia. This means that even if the immediate place the goods were shipped from was not Somalia, the prohibition may still apply. Therefore, importers should check the original place goods were consigned from or contact the Treasury if you think the items may have originally been consigned from Somalia.

There are no exceptions or licensing grounds for prohibitions in relation to import of charcoal.

## **Purchase etc. of charcoal**

The Regulations prohibit a person from directly or indirectly acquiring charcoal which originates in Somalia and directly or indirectly acquiring charcoal which is located in Somalia.

## **Transport of charcoal**

The Regulations prohibit a person from directly or indirectly supplying or delivering charcoal from a place in Somalia to a third country, where the charcoal originates in Somalia or is consigned from Somalia. Regulation 39 specifies that a third country is a country that is not the UK, Isle of Man or Somalia.

The Regulations also prohibit a person from directly or indirectly supplying or delivering charcoal from a place in a non-IOM country to a place in a different non-IOM country, where the charcoal originates in Somalia.

### **Financial services and funds in relation to charcoal**

These prohibitions also prohibit the direct or indirect provision of financial services and funds in pursuance of or in connection with specific arrangements in relation to charcoal, as set out in regulation 40.

For general guidance on export controls and trade sanctions, visit the [Export Control Joint Unit](#) website (the Isle of Man imposes the same export and trade controls as the UK).

## **1.4 Immigration Sanctions**

The effect of the Regulations is to impose a travel ban on persons who are designated by the UK Secretary of State for the purposes of being made subject to immigration sanctions under the Sanctions Act. Such persons are excluded persons for the purposes of section 8B of the Immigration Act 1971 (as that has effect in the Isle of Man).

This means that those individuals will be refused leave to enter or remain in the UK/IOM. Any applications they make for a visa to travel to the UK/IOM, including for transit purposes, will be refused. Any foreign national who is subject to a travel ban under the Regulations, and who is currently in the UK/IOM, will have their permission to stay in the UK/IOM cancelled and steps will be taken to remove them.

If you are the subject of an immigration sanction and try to travel to the UK/IOM, carriers are required to deny you boarding.

## **1.5 Information and Record Keeping**

Part 7 of the Regulations places obligations on relevant firms (the definition of which is set out in the Regulations) to report information to the Treasury about known or suspected designated persons or about persons who may have committed an offence under specified provisions of the Regulations. The Treasury has designated the Financial Intelligence Unit (FIU) as the body to whom reports should be made, via [THEMIS](#).

It also grants powers to the Treasury to request information from, amongst others, a designated person, including powers to request the production of documents. It also establishes offences for failing to comply with these requests (including providing false information in respect of licences).

Part 7 also establishes information powers and record-keeping responsibilities in relation to the trade sanctions contained in the Regulations. It provides for offences for failing to comply with any of those requirements or intentionally obstructing an official in the exercise of those powers.

If you have obligations or responsibilities under Part 7 of these Regulations, it is important that you familiarise yourself with them. If you are unclear of your obligations or responsibilities, you are advised to seek independent legal advice.

## **2. How will these sanctions measures be enforced?**

The Regulations make it a criminal offence to contravene the trade and financial sanctions, as well as to enable or facilitate a contravention of, or to circumvent, any of the prohibitions in the Regulations. They also set out the penalties that apply to such offences.

In addition to the below, further details on offences and penalties can be found in the Annex.

### **2.1 Financial Sanctions**

Breaches of financial sanctions are a serious criminal offence. Any breach of the main financial prohibitions in the Regulations carries a maximum sentence of 7 years' imprisonment or a fine (or both).

Committing an offence under regulations 53(6) or 57 (information offences in connection with financial sanctions under the Regulations) carries a maximum sentence of 6 months' imprisonment or a fine (or both).

The Treasury is responsible for monitoring compliance with financial sanctions and investigating suspected breaches.

The Treasury works with other parts of government, supervisory bodies and regulators to consider all cases reported to it, sharing relevant information accordingly.

If you find out that a person or organisation you are dealing with is subject to the financial sanctions detailed in the Regulations, you must immediately:

- stop dealing with them
- freeze any assets you're holding for them
- inform the FIU as soon as possible.

More detailed information on the Treasury's approach to compliance and enforcement can be found in the [Financial Sanctions - General Guidance](#).

### **2.2 Trade Sanctions**

Any breach of the prohibitions relating to the trade sanctions contained in the Regulations is triable either way and carries a maximum sentence of 10 years' imprisonment or a fine (or both). Any breach of the trade licensing provisions is also triable either way and carries a maximum sentence on indictment of 2 years' imprisonment or a fine (or both).

The Treasury is responsible for enforcing the trade prohibitions and investigating suspected offences.

If you discover that you have breached any of the trade prohibitions, you should report the irregularity to the FIU as soon as possible.

You should provide:

- details of the export or transaction, including dates
- any relevant documents, such as export documentation and commercial invoices
- details of how the breach was discovered, why it occurred and what steps you have put in place to ensure it doesn't happen again.



### **3. Are there circumstances when I can get an authorisation or licence for a sanctioned activity?**

Licensing and exception provisions are contained in Part 6 of the Regulations.

#### **3.1 Exceptions**

The Regulations set out the exceptions to some of the sanctions prohibitions which apply within certain defined circumstances. An exception applies automatically, and does not require you to obtain a licence.

The Regulations establish exceptions relating to financial sanctions including for the crediting of a frozen account by a relevant institution (any such interest or other earnings will be frozen in accordance with the relevant legislation underpinning the asset freeze). An exception also exists from the prohibition on making funds available to a designated person, when funds are transferred to a frozen account in discharge (or partial discharge) of an obligation which arose before the recipient became a designated person.

Regulation 45 establishes an exception to regulations 12 to 16, Chapter 2 of Part 5 (Trade) and regulation 36 which provides that prohibitions are not contravened if conduct is authorised by a licence which is issued under the law of the United Kingdom, the Channel Islands or any British Overseas Territory for the purpose of disapplying a prohibition in that jurisdiction which corresponds to the relevant prohibition.

There is an exception to regulations 12 to 16 in respect of "relevant activity" (being any activity which would otherwise be prohibited by regulations 12 to 16) which is necessary to ensure the timely delivery of humanitarian assistance or to support other activities that support basic human needs by:

- (a) the United Nations, including its –
  - (i) programmes and funds,
  - (ii) other entities and bodies, and
  - (iii) specialised agencies and related organisations,
- (b) international organisations,
- (c) humanitarian organisations having observer status with the United Nations General Assembly and members of those humanitarian organisations,
- (d) bilaterally or multilaterally funded non-governmental organisations participating in the United Nations Humanitarian Response Plans, Refugee Response Plans, other United Nations appeals, or humanitarian clusters coordinated by the United Nations Office for the Coordination of Humanitarian Affairs,
- (e) any grantee, subsidiary, or implementing partner of any organisation falling within sub-paragraphs (a) to (d) while and to the extent that they are acting in those capacities (reference in the regulations to an organisation (or entity) includes reference to the employees of that organisation while acting in that capacity),
- (f) any other persons authorised by the Committee for the purposes of resolution 2664.

This exception means the prohibitions of the asset freeze are not contravened by a person carrying out relevant activity which is necessary to ensure the timely delivery of humanitarian assistance or to carry out other activities that support basic human needs. This includes the

provision, processing and payment of funds, other financial assets or economic resources, and the provision of goods and services necessary to ensure the timely delivery of such assistance or to support such activities.

The prohibitions of the asset freeze are not contravened where the person undertaking the relevant activity believes carrying it out is necessary to ensure the timely delivery of humanitarian assistance, or to carry out other activities that support basic human needs and there is no reasonable cause for them to suspect otherwise.

UN Security Council Resolution 2664 (2022) replaced a previous humanitarian exception in the Somalia (Sanctions) (EU Exit) Regulations 2020. The current exception broadens the scope of the previous exception and all those persons and activities covered by the previous exception continue to be covered.

The Regulations also include an exception in relation to any prohibition or requirement imposed by these Regulations for acts done for the purposes of national security or prevention of serious crime.

If you are unsure whether an exception applies in your circumstances, you are advised to seek independent legal advice.

### **3.2. Licensing for financial sanctions**

Where a person has been designated for the purposes of financial sanctions and had their assets frozen, the designated person or a representative may apply for a licence from the Treasury in order to be able to use their funds or economic resources (non-monetary assets, such as property or vehicles). Schedule 3 to the Regulations sets out the purposes pursuant to which, or for which activities, the Treasury may grant an individual licence. In summary these are:

- basic needs
- reasonable legal fees or reasonable expenses associated with the provision of legal services
- reasonable fees for the routine holding or maintenance of frozen funds and economic resources
- extraordinary expenses
- pre-existing judicial decisions etc.
- prior obligations
- diplomatic missions (non-UN designated persons only)
- extraordinary situations (non-UN designated persons only)

The Treasury may need to notify, or in some cases seek approval from the relevant United Nations Sanctions Committee before issuing a licence. These requirements are set out in the relevant UN Security Council Resolutions. These requirements will lengthen the processing time for such licence applications and may in some cases prevent a licence from being issued.

Further information can be found in the [Financial Sanctions - General Guidance](#).

### **3.3 Licensing for trade sanctions**

Licenses may also be issued for certain trade activities that would otherwise be prohibited by the Regulations.

The Treasury is responsible for administering the licensing provisions for all trade sanctions. In exercising these powers, the Treasury seeks and considers advice from other Isle of Man and United Kingdom government departments.

In making decisions on whether to grant a licence to permit something which would otherwise be prohibited under Part 5 of the Regulations, the Treasury will consider each application on a case-by-case basis to determine whether granting a licence would be consistent with the stated purposes of the sanctions regime and any UN or other relevant international law obligations.

For some prohibitions there are specific activities which the UK's Department for International Trade considers are likely to be consistent with the aims of the sanctions. These can be found [here](#) (section 3.3). If you think that your proposed activity falls within one of these specific descriptions you should make this clear and explain why you believe this to be the case in your application for a licence.

You should not assume that a licence will be granted or engage in any activities prohibited by the trade sanctions until your licence has been granted.

When you export goods, you may need to submit an electronic export declaration via the National Export System (NES), part of the Customs Handling of Import and Export Freight (CHIEF) system. Guidance is available on [how to make an export declaration](#)

### **3.4 Overlap with strategic export licensing**

#### **Military goods and military technology**

Please note that the export of and trade in military goods and military technology are also controlled under the Export Control Order 2008 and so you may also need a licence which is valid under that legislation. This means that all licence applications relating to military goods and military technology will also need to be considered against the [strategic export licensing criteria](#). A licence under the Regulations is unlikely to be granted if a licence is refused for the same activity under the Export Control Order 2008.

The way this will work in practice is that we will consider an application for a licence which relates to activities that are licensable under both the Regulations and the Export Control Order 2008 as an application for a licence under both pieces of legislation. This means that only a single licence application is required.

The application will be considered against the relevant licensing criteria. If a licence is granted it will be valid under both the Export Control Order 2008 and the Regulations.

#### **Overlap between trade sanctions and financial sanctions**

If you import or export goods, you need to consider if financial sanctions apply to you. For instance, where your licensable trade activity may also be making funds or an economic resource available to, or for the benefit of, a designated person. You may need a licence from the Treasury as well as from the UK's [Export Control Joint Unit](#).

#### **Transit control**

Certain goods transiting the UK/IOM are still regarded as being exported when they leave the country and are therefore subject to control. Article 17 of the Export Control Order 2008 includes a transit and transshipment exception meaning that in many situations a licence is not required. This exception does not apply to goods destined for Somalia, meaning that a licence is required to transit goods through the UK/IOM or to transship them in the UK/IOM with a view to re-exportation to Somalia.

### **3.5 Directions in respect of immigration sanctions**

If you are subject to immigration sanctions the Home Office may direct, on a case by case basis, that the sanction does not apply in particular circumstances, such as for travel to, or through, the UK/IOM for a UN sponsored meeting.

### **4. Further information**

Sign up to receive [Notices to Exporters](#) for updates on trade sanctions.

To receive an email alerting you to any changes to the consolidated list of financial sanctions targets, you can subscribe to the RSS feed for Customs and Excise news releases by copying and pasting this URL: <https://www.gov.im/categories/tax-vat-and-your-money/customs-and-excise/news/RssCategorisedNews> into your RSS feed reader or Microsoft Outlook RSS feeds folder. You can also view our [guidance on how to use RSS Feeds](#).

## Annex A

### Table of financial sanctions offences

<b>Type of Sanctions offences</b>	<b>Specific offence</b>	<b>Relevant prohibition or requirement</b>	<b>Maximum penalty</b>
Breach of sanctions	<ol style="list-style-type: none"> <li>1. Dealing with funds or economic resources owned, held or controlled by a designated person</li> <li>2. Making funds available directly or indirectly to a designated person</li> <li>3. Making funds available for the benefit of a designated person</li> <li>4. Making economic resources available directly or indirectly to a designated person</li> <li>5. Making economic resources available for benefit of a designated person</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg. 12</li> <li>2. Reg. 13</li> <li>3. Reg. 14</li> <li>4. Reg. 15</li> <li>5. Reg. 16</li> </ol>	Liable on summary conviction - <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 12 months, or to a fine not exceeding level 5 on the standard scale, or to both.</li> </ul> Liable on conviction on information - <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 7 years or to a fine, or to both.</li> </ul>
Circumvention etc. of prohibitions	Circumventing directly or indirectly the prohibitions of regs. 12-16 (Part 3 Finance) or enabling the contravention of prohibitions.	Reg. 17	
Breach of requirements under Treasury licences	<ol style="list-style-type: none"> <li>1. Knowingly or recklessly providing false information or providing a document that is not what it purports to be for the purpose of obtaining a Treasury licence</li> <li>2. Failing to comply with the conditions of a Treasury licence</li> </ol>	Reg. 50	
Breach of reporting obligations	<ol style="list-style-type: none"> <li>1. Failure to inform the Treasury about knowledge or reasonable cause to suspect that a person is a designated person or has committed an offence under Part 3 of the Regulations or regulation 50 (finance: licensing offences)</li> <li>2. Failure to provide the Treasury with information on which the knowledge or suspicion is based or information by which the person can be identified.</li> </ol>	Reg. 53	Liable on summary conviction - <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 6 months, or to a fine not exceeding level 5 on the standard scale, or to both.</li> </ul>

	3. Failure to provide the Treasury with information about any funds or economic resources it holds for a designated person at the time when it first had knowledge or suspicion.		
Failure to comply with requests for information	<ol style="list-style-type: none"> <li>1. Failure to provide information in the time and manner requested under reg. 55</li> <li>2. Knowingly and recklessly providing false information in respect of information requested under reg. 55</li> <li>3. Evasion of requests made under reg. 55 or reg. 56.</li> <li>4. Obstruction of Treasury requests for information made under reg. 55 or reg. 56.</li> </ol>	Reg. 57	
Breach of confidential information provision	Disclosure of information specified by the Secretary of State as confidential, where knowledge or reasonable cause to suspect that the information is to be treated as confidential	reg. 9	<p> LIABLE ON SUMMARY CONVICTION -</p> <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 12 months, or to a fine not exceeding level 5 on the standard scale, or to both.</li> </ul> <p> LIABLE ON CONVICTION ON INFORMATION -</p> <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 2 years or to a fine, or to both.</li> </ul>

## ANNEX B

### Table of trade sanctions offences

<b>Type of Sanctions offences</b>	<b>Specific offence</b>	<b>Relevant prohibition or requirement</b>	<b>Maximum penalty</b>
Breach of controls on exporting restricted goods	<ol style="list-style-type: none"> <li>1. Exporting military goods and Improvised Explosive Devices (IED) Components.</li> <li>2. Exporting military goods to a designated person</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg 21</li> <li>2. Reg 28</li> </ol> <p>Offence contained within Customs and Excise Management Act 1986 s.69.</p>	<p> LIABLE ON SUMMARY CONVICTION -</p> <ul style="list-style-type: none"> <li>• to a penalty of £5,000 or of three times the value of the goods whichever is the greater, or to custody for a term not exceeding 6 months, or to both.</li> </ul>
Breach on controls on the import of charcoal	Importing charcoal consigned from or originating in Somalia	Reg. 37	<p> LIABLE ON CONVICTION ON INFORMATION -</p> <ul style="list-style-type: none"> <li>• to a penalty of any amount, or to custody for a term not exceeding 10 years (this a modification to the 7 year maximum set out in the Customs and Excise Management Act 1986)</li> </ul>
Breach of controls on military goods and technology (other than export)	<ol style="list-style-type: none"> <li>1. Supplying or delivering military goods.</li> <li>2. Making military goods and technology available.</li> <li>3. Transferring military technology.</li> <li>4. Providing technical assistance relating to military goods and technology.</li> <li>5. Providing financial services and funds relating to military goods and technology.</li> <li>6. Providing brokering services relating to military goods and technology.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg. 22</li> <li>2. Reg. 23</li> <li>3. Reg. 24</li> <li>4. Reg. 25</li> <li>5. Reg. 26</li> <li>6. Reg. 27</li> </ol>	<p> LIABLE ON SUMMARY CONVICTION -</p> <ul style="list-style-type: none"> <li>• to custody to a term not exceeding 12 months or a fine (or both).</li> </ul> <p> LIABLE ON CONVICTION ON INFORMATION -</p> <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 10 years or a fine (or both).</li> </ul>

Breach of controls on Improvised Explosive Devices (IED)	<ol style="list-style-type: none"> <li>1. Supplying or delivering IED component goods.</li> <li>2. Making IED component goods and technology available.</li> <li>3. Transferring IED components technology</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg. 22</li> <li>2. Reg. 23</li> <li>3. Reg. 24</li> </ol>	
Breach of targeted measures relating to military goods and technology	<ol style="list-style-type: none"> <li>1. Supplying or delivering goods to a designated person.</li> <li>2. Making military goods and technology available to a designated person.</li> <li>3. Transferring military technology to a designated person.</li> <li>4. Providing technical assistance relating to military goods and technology to a designated person.</li> <li>5. Providing financial services and funds relating to military goods and technology to a designated person.</li> <li>6. Providing brokering services relating to military goods and technology to a designated person.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg. 29</li> <li>2. Reg. 30</li> <li>3. Reg. 31</li> <li>4. Reg. 32</li> <li>5. Reg. 33</li> <li>6. Reg. 34</li> </ol>	<p>Liabie on summary conviction -</p> <ul style="list-style-type: none"> <li>• to custody to a term not exceeding 12 months or a fine (or both).</li> </ul> <p>Liabie on conviction on information -</p> <ul style="list-style-type: none"> <li>• to custody for a term not exceeding 10 years or a fine (or both).</li> </ul>
Enabling or facilitating the conduct of armed hostilities	<ol style="list-style-type: none"> <li>1. Enabling or facilitating the conduct of armed hostilities: designated persons.</li> <li>2. Enabling or facilitating the conduct of armed hostilities (persons other than designated persons).</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg. 35</li> <li>2. Reg. 36</li> </ol>	
Breach of controls relating to charcoal (other than export)	<ol style="list-style-type: none"> <li>1. Purchase etc. of charcoal</li> <li>2. Transport of charcoal</li> <li>3. The associated provision of financial services and funds</li> </ol>	<ol style="list-style-type: none"> <li>1. Reg. 38</li> <li>2. Reg. 39</li> <li>3. Reg. 41</li> </ol>	
Circumvention etc. of prohibitions	Circumventing directly, or indirectly any of the prohibitions in regulations 21-40 (Trade) or enabling or facilitating the contravention of any such prohibition.	Reg. 41	
Licensing Offences	<ol style="list-style-type: none"> <li>1. Knowingly or recklessly: <ol style="list-style-type: none"> <li>(a) Providing information that is false in a material respect, or</li> <li>(b) Providing or producing a document that is not</li> </ol> </li> </ol>	Reg. 51	<p>Liabie on summary conviction -</p> <ul style="list-style-type: none"> <li>• to custody to a term not exceeding 12</li> </ul>



	<p>what it purports to be, for the purpose of obtaining a trade licence.</p> <p>2. Purporting to act under the authority of a trade licence but failing to comply with any condition contained in the licence.</p>		<p>months or a fine (or both).</p> <p>Liabe on conviction on information -</p> <ul style="list-style-type: none"> <li>to custody for a term not exceeding 2 years or a fine (or both).</li> </ul>
Information Offences	<p>1. Failing to comply with record keeping requirements in reg. 59 (2) to (4).</p> <p>2.</p> <p>(a) Intentionally obstructing an official in the performance of any of the official's functions</p> <p>(b) Failing to produce a register, record or document when reasonably required to do so by an official.</p>	<p>1. Reg. 59</p> <p>2. Reg. 60</p>	