

Statutory Document No. 2022/0098



European Union and Trade Act 2019

RUSSIA SANCTIONS (APPLICATION) REGULATIONS 2022

*Approved by Tynwald:
Coming into operation in accordance with regulation 2*

The Council of Ministers makes the following Regulations under section 19 of the European Union and Trade Act 2019.

The Council of Ministers is of the opinion that, by reason of urgency, it is necessary to make these Regulations subject to the Tynwald procedure set out in section 31 of the Legislation Act 2015 (“affirmative”) instead of the “approval required” Tynwald procedure applied by virtue of section 19(1) of the European Union and Trade Act 2019.

1 Title

These Regulations are the Russia Sanctions (Application) Regulations 2022.

2 Commencement

These Regulations come into operation immediately after they are made¹.

3 Application of the Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2022

- (1) The Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2022² (“the applied legislation”) apply to the Island, as part of the law of the Island, subject to the following modifications.
- (2) In regulation 1 (citation and commencement) —
 - (a) in the heading, omit “and commencement”; and

¹ Paragraph 7 of Schedule 4 to the European Union and Trade Act 2019 provides that if a statutory document contains a declaration that the Council of Ministers is of the opinion that, by reason of urgency, it is necessary to make the statutory document subject to the Tynwald procedure set out in section 31 of the Legislation Act 2015 (“affirmative”), that procedure applies to the statutory document instead of the “approval required” Tynwald procedure applied by virtue of any provision of the European Union and Trade Act 2019.

² SI 2022/194.

- (b) omit paragraph (2).
- (3) In regulation 2 (amendment of the Russia (Sanctions) (EU Exit) Regulations 2019), after “2019”, insert **63**, as they have effect in the Island³, **62**.
- (4) Omit regulation 3 (power to designate persons).
- (5) In regulation 5(a) (dealing with transferable securities or money-market instruments), in the inserted paragraph (4B)(a)(i), for “United Kingdom”, substitute **63** Isle of Man **62**.
- (6) In regulation 6(b)(ii) (loans and credit arrangements) —
- (a) in the inserted definition of “category 1 loan”, in paragraph (b)(ii)(aa), for “non-UK country”, substitute **63** non-IOM country **62**; and
- (b) in the inserted definition of “category 2 loan”, in paragraph (b)(i), for “United Kingdom”, substitute **63** Isle of Man **62**.
- (7) In regulation 7 (correspondent banking relationships etc.), in the inserted regulation 17A —
- (a) in paragraphs (1) and (2) —
- (i) for “a UK”, in both places, substitute **63** an Isle of Man **62**; and
- (ii) for “non-UK”, in both places, substitute **63** non-IOM **62**;
- (b) in paragraph (6), for the definitions of “designated person”, “non-UK credit or financial institution” and “UK credit or financial institution”, substitute —
- 63** “designated person” means a person who is designated by the Secretary of State from time to time under regulation 5 of the Russia (Sanctions) (EU Exit) Regulations 2019 (of Parliament) for the purposes of this regulation;
- “non-IOM credit or financial institution” means a person, other than an individual, who if they were acting in or from the Isle of Man would be —
- (a) carrying on a regulated activity within the meaning of the Financial Services Act 2008 (of Tynwald)⁴;
- (b) carrying on insurance business, acting in an insurance intermediary or acting as an insurance manager within the meaning of the Insurance Act 2008 (of Tynwald)⁵;

³ SI 2019/855, as amended by SI 2020/590 and SI 2020/951, was applied to the Island by SD 2020/0504.

⁴ AT 8 of 2008.

⁵ AT 16 of 2008.

(c) acting as a trustee or an administrator of a retirement benefits scheme within the meaning of the Retirement Benefits Schemes Act 2000 (of Tynwald)⁶;

(d) carrying on the business of lending money within the meaning of the Moneylenders Act 1991 (of Tynwald)⁷;

“Isle of Man credit or financial institution” means a person —

(a) licensed to carry on a regulated activity within the meaning of the Financial Services Act 2008 (of Tynwald)⁸;

(b) authorised or registered under the Insurance Act 2008 (of Tynwald)⁹, and permit holders, other than EU permit holders, under that Act;

(c) acting as a trustee or an administrator of a retirement benefits scheme within the meaning of the Retirement Benefits Schemes Act 2000 (of Tynwald)¹⁰;

(d) registered to carry on the business of lending money within the meaning of the Moneylenders Act 1991 (of Tynwald)¹¹. **22**.

(8) In regulation 8 (interpretation of Part 3) —

(a) in paragraph (1) —

(i) in the definition of “credit or financial institution” —

(A) for “UK”, substitute **23** Isle of Man **22**; and

(B) for “non-UK”, substitute **23** non-IOM **22**;

(ii) in the definition of “Government of Russia”, after “regulation 6”, insert **23** of the Russia (Sanctions) (EU Exit) Regulations 2019 (of Parliament), as it has effect in the United Kingdom from time to time **22**; and

(iii) in the definition of “subsidiary”, for “section 1159 of the Companies Act 2006”, substitute **23** section 220 of the Companies Act 2006 (of Tynwald)¹² **22**; and

(b) omit paragraph (3).

⁶ AT 14 of 2000.

⁷ AT 6 of 1991.

⁸ AT 8 of 2008.

⁹ AT 16 of 2008.

¹⁰ AT 14 of 2000.

¹¹ AT 6 of 1991.

¹² AT 13 of 2006.

- (9) In regulation 11 (exception for authorised conduct in a relevant country), for “in a relevant country”, in both places including the heading, substitute **“outside the Isle of Man”**.
- (10) In regulation 12(c) (Treasury licences), for “consider”, in each place it occurs, substitute **“considers”**.
- (11) In regulation 14 (Treasury licences: purpose) –
- (a) in paragraph (a), in the inserted Part A1, in the definition of “spaceflight activity”, after “2018”, insert **“(of Parliament)”**;
- (b) in paragraph (e) –
- (i) in the inserted paragraph 9D(2) (diplomatic missions etc.), for “United Kingdom”, substitute **“Isle of Man”**;
- (ii) in the inserted paragraph 9H(2) (diplomatic missions etc.), for “United Kingdom”, substitute **“Isle of Man”**;
- (iii) in the inserted paragraph 9I (space), for “a United Kingdom”, substitute **“an Island”**;
- (iv) in the inserted paragraph 9N(2) (financial regulation), for “United Kingdom, including the Financial Conduct Authority, the Prudential Regulation Authority and the Bank of England”, substitute **“Isle of Man”**;
- (v) in the inserted paragraph 9S(2) (diplomatic missions etc.), for “United Kingdom”, substitute **“Isle of Man”**; and
- (vi) in the inserted paragraph 9T (space), for “a United Kingdom”, substitute **“an Island”**.
- (12) The text of the applied legislation is annexed to these Regulations.

4 Application of the Russia (Sanctions) (EU Exit) (Amendment) (No. 3) Regulations 2022

- (1) The Russia (Sanctions) (EU Exit) (Amendment) (No. 3) Regulations 2022¹³ (“the applied legislation”) apply to the Island, as part of the law of the Island, subject to the following modifications.
- (2) In regulation 1 (citation and commencement) –
- (a) in the heading, omit “and commencement”; and
- (b) omit paragraph (2).
- (3) In regulation 2 (amendment of the Russia (Sanctions) (EU Exit) Regulations 2019), after “2019”, insert **“”**, as they have effect in the Island¹⁴, **“”**.

¹³ SI 2022/195.

¹⁴ SI 2019/855, as amended by SI 2020/590 and SI 2020/951, was applied to the Island by SD 2020/0504.

- (4) In regulation 6 (exceptions), in the inserted regulation 60C (trade: exceptions in relation to aircraft and vessels), in paragraphs (1) and (3), for “United Kingdom”, in both places, substitute **“Isle of Man”**.
- (5) In regulation 7 (exception for emergencies in certain cases), in the substituted regulation 61(1), for “Secretary of State”, substitute **“Treasury”**.
- (6) In regulation 11 (transitional provisions: Chapter 3 trade licences) —
 - (a) in paragraph (1)(b)(ii), for “force”, substitute **“operation”**;
 - (b) in paragraph (4) —
 - (i) in the definition of “2019 Regulations”, after “Russia (Sanctions) (EU Exit) Regulations 2019”, insert **“, as they have effect in the Isle of Man¹⁵”**;
 - (ii) in the definition of “trade licence”, for “Secretary of State”, in both places, substitute **“Treasury”**; and
 - (iii) in the definition of “relevant time”, for “force”, substitute **“operation”**.
- (7) The text of the applied legislation is annexed to these Regulations.

5 Amendment of the Russia Sanctions (Application) Regulations 2020

- (1) The Russia Sanctions (Application) Regulations 2020¹⁶ are amended as follows.
- (2) In the Schedule, in paragraph 1(2) (general), for “2, 3 and 4”, substitute **“2, 2A, 2B and 3”**.

MADE 3 MARCH 2022

W GREENHOW
Chief Secretary

¹⁵ SI 2019/855, as amended by SI 2020/590 and SI 2020/951, was applied to the Island by SD 2020/0504.

¹⁶ SD 2020/0504.

*EXPLANATORY NOTE**(This note is not part of the Regulations)*

These Regulations amend the Russia (Sanctions) (EU Exit) Regulations 2019, as those Regulations have effect in the Island (“the 2019 Regulations”) by applying to the Island –

- (a) the Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2022; and
- (b) the Russia (Sanctions) (EU Exit) (Amendment) (No. 3) Regulations 2022.

As amended the Regulations impose further financial and trade restrictions against Russia.

The Regulations add new financial sanctions to Part 3 (Finance) of the 2019 Regulations. Existing restrictions on dealing with certain financial instruments and providing loans and credit are amended to extend the sanctions prohibitions to a broader range of transferable securities and money market instruments (regulation 16 of the 2019 Regulations); and loans and credit (regulation 17). Further restrictions on correspondent banking relationships and processing of sterling payments are also introduced (in new regulation 17A).

These Regulations provide for exceptions to, and for licensing powers in relation to, those prohibitions. In particular, there is provision to make clear that a licence may authorise acts which would otherwise be prohibited by any of regulations 11 to 17A for a particular period beginning with the coming into operation of the prohibition, or the date of any designation made for the purposes of those provisions. This would allow a period for persons affected to arrange their affairs to comply. Prohibitions on the export, supply and delivery and making available of military goods are extended to include dual-use goods and critical-industry goods. Prohibitions on the making available and transfer of military technology are extended to include dual-use technology and critical-industry technology. Related prohibitions on the provision of technical assistance, financial services, funds and brokering services are also extended in relation to dual-use goods and technology and critical-industry goods and technology.

These new prohibitions replace prohibitions relating to dual-use goods and dual-use technology for named persons, and for military use. Transitional provision is made in relation to licences issued to authorise trade within the scope of the replaced prohibitions.

A number of exceptions from the trade prohibitions on critical-industry goods and technology are provided for, in relation to personal items and diplomatic missions, consular posts and international organisations, the movement of aircraft and vessels, consumer communication devices and software updates, and emergencies.

Annex

STATUTORY INSTRUMENTS

2022 No. 194 SANCTIONS

The Russia (Sanctions) (EU Exit) (Amendment) (No. 2)
Regulations 2022

Made at 8.10 p.m. on 28th February 2022
Laid before Parliament at 11.00 p.m. on 28th February 2022
Coming into force - 1st March 2022

The Secretary of State¹⁷, considering that the requirements of section 45(2) of the Sanctions and Anti-Money Laundering Act 2018¹⁸ are met, makes the following Regulations in exercise of the powers conferred by sections 1, 3(1)(b)(ii) and (iii), (c)(ii) and (iii), (d)(ii) and (iii) and (f), 3(2)(a), 9(2)(a), 10(2)(a) and (c), 11, 15(2)(a) and (b) and (3), 16, 17 and 45 of that Act:

Citation and commencement

1. (1) These Regulations may be cited as the Russia (Sanctions) (EU Exit) (Amendment) (No. 2) Regulations 2022.
- ~~(2) These Regulations come into force on 1st March 2022.~~

Amendment of the Russia (Sanctions) (EU Exit) Regulations 2019

2. The Russia (Sanctions) (EU Exit) Regulations 2019¹⁹, **as they have effect in the Island²⁰**, are amended as set out in regulations 3 to 14.

~~Power to designate persons~~

- ~~3. In paragraph (1) of regulation 5 (power to designate persons), after sub-paragraph (a) insert—~~

~~“(aa) regulation 17A (correspondent banking relationships etc.);”~~

¹⁷ 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.

¹⁸ 2018 c.13. section 17(5)(b)(i) (enforcement) is amended by the Sentencing Act 2020 (c.17), Schedule 24, paragraph 443(1).

¹⁹ S.I. 2019/855, as amended by S.I. 2020/590; S.I. 2020/951; S.I. 2022/123; and by the Sentencing Act 2020 (c.17).

²⁰ SI 2019/855, as amended by SI 2020/590 and SI 2020/951, was applied to the Island by SD 2020/0504.

Financial restrictions

4. In the heading of Chapter 1 of Part 3 (Finance), for "Finance restrictions in relation to designated persons" substitute "Asset-freeze etc."

Dealing with transferable securities or money-market instruments

5. In regulation 16 (dealing with transferable securities or money-market instruments)—

(a) after paragraph (4) insert—

(4A) A person ("P") must not, directly or indirectly, deal with a transferable security or money-market instrument falling within paragraph (4B) if P knows, or has reasonable cause to suspect, that P is dealing with such a transferable security or money-market instrument.

(4B) A transferable security or money-market instrument falls within this paragraph if it has a maturity exceeding 30 days and is issued on or after 1st March 2022 by—

- (a) a person, other than an individual, which is—
 - (i) incorporated or constituted under the law of any part of the ~~United Kingdom~~ **Isle of Man**, and
 - (ii) owned by a person falling within Schedule 2; or
- (b) a person, other than an individual, acting on behalf or at the direction of a person within sub-paragraph (a).

(4C) A person ("P") must not, directly or indirectly, deal with a transferable security or money-market instrument falling within paragraph (4D) if P knows, or has reasonable cause to suspect, that P is dealing with such a transferable security or money-market instrument.

(4D) A transferable security or money-market instrument falls within this paragraph if it is issued on or after 1st March 2022 by—

- (a) a person connected with Russia, which is not—
 - (i) a person falling within Schedule 2,
 - (ii) a person, other than an individual, which on 1st March 2022 is domiciled in a country other than Russia, or
 - (iii) a person, other than an individual, which on 1st March 2022 is a branch or subsidiary, wherever located, of a person mentioned in paragraph (ii);
- (b) a person, other than an individual, which is owned by a person falling within sub-paragraph (a); or
- (c) a person, other than an individual, acting on behalf or at the direction of a person within sub-paragraph (a) or sub-paragraph (b).

(4E) A person ("P") must not, directly or indirectly, deal with a transferable security or money-market instrument falling within paragraph (4F) if P knows, or has reasonable cause to suspect, that P is dealing with such a transferable security or money-market instrument.

(4F) A transferable security or money-market instrument falls within this paragraph if it is issued on or after 1st March 2022 by, or on behalf of, the Government of Russia."

- (b) for paragraph (5) substitute—
 - “(5) Paragraphs (1), (3), (4A), (4C) and (4E) are subject to Part 7 (Exceptions and licences).”;
- (c) in paragraph (6), for “(1) or (3)” substitute “(1), (3), (4A), (4C) and (4E)”.

Loans and credit arrangements

6. In regulation 17 (loans and credit arrangements)—

- (a) in paragraph (3), for “regulations 59 and 63 (exceptions)” substitute “Part 7 (Exceptions and licences)”;
- (b) in paragraph (5)—
 - (i) at the appropriate place insert—
 - “category 1 loan” means a loan or credit—
 - (a) with a maturity exceeding 30 days,
 - (b) made or granted to—
 - (i) a person falling within Schedule 2,
 - (ii) a person, other than an individual, which is—
 - (aa) incorporated or constituted under the law of a ~~non-UK country~~ **non-IOM country**, and
 - (bb) owned (within the meaning of regulation 16(7)) by a person within paragraph (i), or
 - (iii) a person, other than an individual, acting on behalf or at the direction of a person within paragraph (i) or paragraph (ii), and
 - (c) which is first made or granted at any time after IP completion day;
 - “category 2 loan” means a loan or credit—
 - (a) with a maturity exceeding 30 days,
 - (b) made or granted to a person, other than an individual, which is—
 - (i) incorporated or constituted under the law of any part of the ~~United Kingdom~~ **Isle of Man**, and
 - (ii) owned (within the meaning of regulation 16(7)) by a person falling within Schedule 2, and
 - (c) which is first made or granted at any time on or after 1st March 2022;
 - “category 3 loan” means a loan or credit—
 - (a) with a maturity exceeding 30 days,
 - (b) made or granted to a person, other than an individual, which is—
 - (i) connected with Russia,
 - (ii) owned (within the meaning of regulation 16(7)) by a person within sub-paragraph (i), or
 - (iii) a person, other than an individual, acting on behalf or at the direction of a person within paragraph (i) or paragraph (ii),
 - (c) which is first made or granted at any time on or after 1st March

- 2022, and
- (d) which is not—
- (i) a category 1 loan, a category 2 loan or a category 4 loan, or
 - (ii) a loan made or granted to—
 - (aa) a person, other than an individual, which on 1st March 2022 is domiciled in a country other than Russia,
 - (bb) a person, other than an individual, which is owned by a person falling within sub-paragraph (aa), or
 - (cc) a person, other than an individual, acting on behalf or at the direction of a person within sub-paragraph (aa) or sub-paragraph (bb);
- “category 4 loan” means a loan or credit—
- (a) made or granted to the Government of Russia,
 - (b) which is first made or granted at any time on or after 1st March 2022;”
- (ii) for the definition of “relevant loan” substitute—
- ““relevant loan” means a category 1 loan, a category 2 loan, a category 3 loan or a category 4 loan;”;
- (iii) omit the definition of “relevant person”.

Correspondent banking relationships etc.

7. After regulation 17 (loans and credit arrangements) insert—

“Correspondent banking relationships etc.

17A. (1) ~~A UK~~ **An Isle of Man** credit or financial institution (“C”) (“the correspondent”) must not establish or continue a correspondent banking relationship with the following (“the respondent”)—

- (a) a designated person (“D”),
- (b) ~~a UK~~ **an Isle of Man** credit or financial institution, which is owned or controlled directly or indirectly (within the meaning of regulation 7) by D, or
- (c) a ~~non-UK~~ **non-IOM** credit or financial institution, which is owned or controlled directly or indirectly (within the meaning of regulation 7) by D,

if C knows, or has reasonable cause to suspect, that the correspondent banking relationships with a designated person.

- (2) C must not process a sterling payment to, from or via –
- (a) D,
 - (b) ~~a UK~~ **an Isle of Man** credit or financial institution, which is owned or controlled directly or indirectly (within the meaning of regulation 7) by D, or
 - (c) a ~~non-UK~~ **non-IOM** credit or financial institution, which is owned or controlled directly or indirectly (within the meaning of regulation 7) by D,

if C knows, or has reasonable cause to suspect, that the sterling payment is to, from or via such a person.

(3) Paragraphs (1) and (2) are subject to Part 7 (Exceptions and licences).

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

(5) For the purposes of this regulation, a reference to 'processing' a sterling payment includes the clearing and settlement of such a payment.

(6) In this regulation—

"correspondent banking relationship" means the provision of banking services by a correspondent to a respondent including providing a current or other liability account and related services, such as cash management, international funds transfers, cheque clearing, providing customers of the respondent with direct access to accounts with the correspondent (and vice versa) and providing foreign exchange services;

~~"designated person" means a person who is designated under regulation 5 (power to designate persons) for the purposes of this regulation;~~

~~"non-UK 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, other than a UK credit or financial institution, 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;~~

~~"UK credit or financial institution" means—~~

~~(a) a person that has permission under Part 4A of the Financial Services and Markets Act 2000 (permission to carry on regulated activities), or~~

~~(b) an undertaking domiciled in the United Kingdom 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."~~

"designated person" means a person who is designated by the Secretary of State from time to time under regulation 5 of the Russia (Sanctions) (EU Exit) Regulations 2019 (of Parliament) for the purposes of this regulation;

"non-IOM credit or financial institution" means a person, other than an individual, who if they were acting in or from the Isle of Man would be –

- (a) carrying on a regulated activity within the meaning of the Financial Services Act 2008 (of Tynwald)²¹;
- (b) carrying on an insurance business, acting as an insurance intermediary or acting as an insurance manager within the meaning of the Insurance Act 2008 (of Tynwald)²²;
- (c) acting as a trustee or an administrator of a retirement benefits scheme within the meaning of the Retirement Benefits Schemes Act 2000 (of Tynwald)²³;
- (d) carrying on the business of lending money within the meaning of the Moneylenders Act 1991 (of Tynwald)²⁴;

“Isle of Man credit or financial institution” means a person –

- (a) licensed to carry on a regulated activity within the meaning of the Financial Services Act 2008 (of Tynwald)²⁵;
- (b) authorised or registered under the Insurance Act 2008 (of Tynwald)²⁶, and permit holders, other than EU permit holders, under that Act;
- (c) acting as a trustee or an administrator of a retirement benefits scheme within the meaning of the Retirement Benefits Schemes Act 2000 (of Tynwald)²⁷;
- (d) registered to carry on the business of lending money within the meaning of the Moneylenders Act 1991 (of Tynwald)²⁸.

Interpretation of Part 3

8. After regulation 19 insert—

“Interpretation of Part 3

19A. (1) In this Part—

“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 “~~UK~~ **Isle of Man** credit or financial institution” or a “~~non-UK~~ **non-IOM** credit or financial institution”;

“Government of Russia” has the same meaning as in regulation 6 **of the Russia (Sanctions) (EU Exit) Regulations 2019 (of Parliament), as it has effect in the United Kingdom from time to time**;

“subsidiary” has the meaning given by ~~section 1159 of the Companies Act 2006~~ **section 220 of the Companies Act 2006 (of Tynwald)**²⁹;

(2) For the purposes of this Part, a person is to be regarded as

²¹ AT 8 of 2008.

²² AT 16 of 2008.

²³ AT 14 of 2000.

²⁴ AT 6 of 1991.

²⁵ AT 8 of 2008.

²⁶ AT 16 of 2008.

²⁷ AT 14 of 2000.

²⁸ AT 6 of 1991.

²⁹ At 13 of 2006.

“connected with” Russia if the person is—

- (a) an individual who is, or an association or combination of individuals who are, ordinarily resident in Russia,
- (b) an individual who is, or an association or combination of individuals who are, located in Russia,
- (c) a person, other than an individual, which is incorporated or constituted under the law of Russia, or
- (d) a person, other than an individual, which is domiciled in Russia.

~~(3) In this Part, the definitions of—~~

- ~~(a) “non-UK credit or financial institution”, and~~
- ~~(b) “UK credit or financial institution”,~~

~~are 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.”~~

Exceptions relating to loans and credit arrangements

9. In regulation 59 (exceptions relating to loans and credit arrangements)—

- (a) in paragraph (1)—
 - (i) omit sub-paragraph (a);
 - (ii) for sub-paragraph (c) substitute—
 - “(c) a relevant loan consisting of a drawdown or disbursement made under an arrangement entered into before—
 - (i) in the case of a category 1 loan, 15th September 2014;
 - (ii) in the case of a category 2 loan, a category 3 loan or a category 4 loan, 1st March 2022;where the conditions in paragraph (2) are met.”;
- (b) in paragraph (2)(a), for paragraph (i) substitute—
 - “(i) were agreed before—
 - (aa) in the case of a category 1 loan, 15th September 2014;
 - (bb) in the case of a category 2 loan, a category 3 loan or a category 4 loan, 1st March 2022;”;
- (c) in paragraph (3)—
 - (i) at the appropriate place insert—
 - ““category 1 loan” has the meaning given to it in regulation 17;
 - “category 2 loan” has the meaning given to it in regulation 17;
 - “category 3 loan” has the meaning given to it in regulation 17;
 - “category 4 loan” has the meaning given to it in regulation 17;”
 - (ii) omit the definition of “non-restricted trade”;
 - (iii) in the definition of “relevant subsidiary”, for paragraph (b) substitute—
 - “(b) owned (within the meaning of regulation 16(7)) by a person, other than an individual, that is connected with Russia.”

Exception relating to correspondent banking relationships etc.

10. After regulation 59 (exceptions relating to loans and credit arrangements) insert—

“Exception relating to correspondent banking relationships etc.

59A. The prohibition in regulation 17A(2) (processing sterling payments) does not apply to the processing of a sterling payment for any fee or charge required to permit an aircraft to overfly, land in or take off from Russia.”

Exception for authorised conduct in a relevant country outside the Isle of Man

11. In regulation 62A(1) (exception for authorised conduct in a relevant country **outside the Isle of Man**), after “regulations 11 to 15 (asset-freeze etc.)” insert “, 16 (securities and money market instruments), 17 (loans and credit arrangements), 17A (correspondent banking relationships etc.)”.

Treasury licences

12. In regulation 64 (Treasury licences)—

- (a) in paragraph (1), after “11 to 15 (asset-freeze etc.)” insert “, 16 (securities and money market instruments), 17 (loans and credit arrangements), 17A (correspondent banking relationships etc.)”;
- (b) after paragraph (1), insert—
 - “(1A) Without prejudice to the generality of the powers conferred by paragraph (1), a licence issued by the Treasury under paragraph (1) may, in particular, authorise acts which would otherwise be prohibited by any of regulations 11 to 17A for a particular period beginning with—
 - (a) the coming into force of the prohibition, or
 - (b) where the prohibition relates to a person designated for the purposes of regulations 11 to 15, or regulation 17A, the date on which the person was designated.”;
- (c) in paragraph (2), after sub-paragraph (a)—
 - (i) omit “and”, and
 - (ii) insert—
 - “(aa) in the case of acts which would otherwise be prohibited by regulation 17, where the Treasury ~~consider~~ **considers** that it is appropriate to issue the licence for a purpose set out in Part 1A of Schedule 5,
 - (ab) in the case of acts which would otherwise be prohibited by regulation 17A, where the Treasury ~~consider~~ **considers** that it is appropriate to issue the licence for a purpose set out in Part 1B of Schedule 5,
 - (ac) in the case of acts which would otherwise be prohibited by regulation 17A(2) (processing sterling payments), where the Treasury ~~consider~~ **considers** that it is appropriate to issue the licence for a purpose set out in Part 1C of Schedule 5, and”;
- (d) Part A1 of Schedule 5 has effect for the purposes of interpreting that Schedule.

Finance: powers to request information

13. In regulation 72 (finance: powers to request information)—

- (a) in paragraph (5), in sub-paragraph (c), after “regulation” insert “, 16 (securities and money market instruments), 17 (loans and credit arrangements), 17A (correspondent banking relationships etc.) or”;
- (b) in paragraph (13), after “as they have in” insert “Chapter 1 of”.

Treasury licences: purposes

- 14.** In Schedule 5 (Treasury licences: purposes)—
- (a) at the beginning insert a new Part A1—

“PART A1

Interpretation

Interpretation of Schedule 5

- A1.** In this Schedule—

“consular post” has the same meaning as in the Vienna Convention on

Consular Relations done at Vienna on 24 April 1963³⁰, and any reference to the functions of a consular post is to be read in accordance with that Convention;

“diplomatic mission” and any reference to the functions of a diplomatic mission are to be read in accordance with the Vienna Convention on Diplomatic Relations done at Vienna on 18 April 1961³¹;

“humanitarian assistance activity” includes the work of international and non-governmental organisations carrying out relief activities for the benefit of the civilian population of a country;

“medical goods” includes medicines and medical devices;

“spaceflight activity” has the meaning given in section 1(6) of the Space Industry Act 2018³² **(of Parliament)**.”;

- (b) in the heading of paragraph 1, after “Interpretation” insert “of Part 1”;
- (c) in paragraph 1, in the definition of “designated person”, for “Finance restrictions in relation to designated persons” substitute “Asset-freeze etc.”;
- (d) in paragraph 9, omit sub-paragraph (2);
- (e) after paragraph 9 insert—

“Humanitarian assistance activity

9A. To enable anything to be done in connection with the performance of any humanitarian assistance activity.

Medical goods or services

9B. (1) To enable anything to be done in connection with the provision of medical goods or services for the benefit of the civilian population of a country.

(2) To enable the import, export or use of medical goods.

Food

9C. To enable anything to be done in connection with the production

³⁰ United Nations Treaty Series, vol. 596, p.261.

³¹ United Nations Treaty Series, vol. 500, p.95.

³² 2018 c.5.

or distribution of food for the benefit of the civilian population of a country.

Diplomatic missions etc.

9D. (1) To enable anything to be done in order that the functions of a diplomatic mission or consular post in Russia or of an international organisation enjoying immunities in accordance with international law may be carried out.

(2) To enable anything to be done in order that the functions of a diplomatic mission or consular post of Russia in the ~~United Kingdom~~ **Isle of Man** may be carried out.

PART 1A

Loans and credit arrangements

Humanitarian assistance activity

9E. To enable anything to be done in connection with the performance of any humanitarian assistance activity.

Medical goods or services

9F. (1) To enable anything to be done in connection with the provision of medical goods or services for the benefit of the civilian population of a country.

(2) To enable the import, export or use of medical goods.

Food

9G. To enable anything to be done in connection with the production or distribution of food for the benefit of the civilian population of a country.

Diplomatic missions etc.

9H. (1) To enable anything to be done in order that the functions of a diplomatic mission or consular post in Russia, or of an international organisation enjoying immunities in accordance with international law may be carried out.

(2) To enable anything to be done in order that the functions of a diplomatic mission or consular post of Russia in the ~~United Kingdom~~ **Isle of Man** may be carried out.

Space

9I. To enable anything to be done in order for a ~~United Kingdom~~ **an Island** person to undertake spaceflight activity.

Extraordinary situation

9J. To enable anything to be done to deal with an extraordinary situation.

PART 1B
Correspondent banking relationships etc.

Interpretation of Part 1B

9K. In this Part, “designated person” has the meaning given in regulation 17A.

Basic needs

9L. (1) To enable the basic needs of a designated person, or a person owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person, to be met.

(2) In the case of a person other than an individual, in sub-paragraph (1) “basic needs” includes needs for—

- (a) payment of insurance premiums;
- (b) payment of reasonable fees for the provision of property management services;
- (c) payment of reasonable fees for the provision of insolvency services;
- (d) payment of remuneration, allowances or pensions of employees;
- (e) payment of tax;
- (f) rent or mortgage payments;
- (g) utility payments.

Legal services

9M. To enable the payment of—

- (a) reasonable professional fees for the provision of legal services to the designated person or a person owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person, or
- (b) reasonable expenses associated with the provision of legal services to the designated person (or a person owned or controlled directly or indirectly (within the meaning of regulation 7) by the designated person.

Financial regulation

9N. (1) To enable anything to be done by, or on behalf of, a relevant financial authority for the purposes of the functions of that authority.

(2) In sub-paragraph (1), “relevant financial authority” means authorities involved in the regulation of financial services in the United Kingdom, including the Financial Conduct Authority, the Prudential Regulation Authority and the Bank of England **Isle of Man**.

Extraordinary situation

9O. To enable anything to be done to deal with an extraordinary situation.

PART 1C
Sterling payments

Humanitarian assistance activity

9P. To enable anything to be done in connection with the performance of any humanitarian assistance activity.

Medical goods or services

9Q. (1) To enable anything to be done in connection with the provision of medical goods or services for the benefit of the civilian population of a country.

(2) To enable the import, export or use of medical goods.

Food

9R. To enable anything to be done in connection with the production or distribution of food for the benefit of the civilian population of a country.

Diplomatic missions etc.

9S. (1) To enable anything to be done in order that the functions of a diplomatic mission or consular post in Russia, or of an international organisation enjoying immunities in accordance with international law may be carried out.

(2) To enable anything to be done in order that the functions of a diplomatic mission or consular post of Russia in the ~~United Kingdom~~ **Isle of Man** may be carried out.

Space

9T. To enable anything to be done in order for a ~~United Kingdom~~ **an Island** person to undertake spaceflight activity."

(f) in paragraph 10, omit sub-paragraph (2).

Elizabeth Truss
Secretary of State for Foreign,
Commonwealth and Development Affairs
Foreign, Commonwealth and Development
Office

at 8.10 p.m. on 28th February 2022

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”).

The Regulations add new financial sanctions to Part 3 (Finance) of the 2019 Regulations. Existing restrictions on dealing with certain financial instruments and providing loans and credit are amended to extend the sanctions prohibitions to a broader range of transferable securities and money market instruments (regulation 16 of the 2019 Regulations); and loans and credit (regulation 17). Further restrictions on correspondent banking relationships and processing of sterling payments are also introduced (in new regulation 17A of the 2019 Regulations). The amendments also introduce a power for the Secretary of State to designate persons for the purposes of that provision.

These Regulations provide for exceptions to, and for licensing powers in relation to, those prohibitions. In particular, there is provision to make clear that a licence may authorise acts which would otherwise be prohibited by any of regulations 11 to 17A for a particular period beginning with the coming into force of the prohibition, or the date of any designation made for the purposes of those provisions. This would allow a period for persons affected to arrange their affairs to comply.

A full impact assessment of the effect that this instrument will have on the costs of business, the voluntary sector and the public sector has been published alongside these Regulations and is available at <https://www.gov.uk/government/collections/uk-sanctions-on-russia>, or from the Foreign, Commonwealth and Development Office, King Charles Street, London SW1A 2AH.

2022 No. 195

SANCTIONS

The Russia (Sanctions) (EU Exit) (Amendment) (No. 3)
Regulations 2022

Made ----- at 8.11 p.m. on 28th February 2022

Laid before Parliament at 11.00 p.m on 28th February 2022

Coming into force - -1st March 2022

The Secretary of State³³, considering that the requirements of section 45(2) of the Sanctions and Anti-Money Laundering Act 2018³⁴ are met, makes the following Regulations in exercise of the powers conferred by sections 1, 5, 15(2)(a) and (b), (3) and (6), 16, 17, 19, 20, 21(1), 45, 54(1) and (2) of, and paragraphs 2(b), 4(b) and (c), 5(a)(ii) and (b), 6(a)(ii) and (b), 11(a)(ii), 13(b), (h), (l), (m), (n), and (w), 14(a), (f) (h) and (k), 17, 19 to 24 and 27 of Schedule 1 to, that Act:

Citation and commencement

1. (1) These Regulations may be cited as the Russia (Sanctions) (EU Exit) (Amendment) (No.3) Regulations 2022.

~~—(2)— These Regulations come into force on 1st March 2022.~~

Amendment of the Russia (Sanctions) (EU Exit) Regulations 2019

2. The Russia (Sanctions) (EU Exit) Regulations 2019³⁵, **as they have effect in the Island³⁶**, are amended as set out in regulations 3 to 10.

Trade

3. In regulation 21 (interpretation of Part 5)—

(a) after the definition of “brokering service”, insert—

““critical-industry goods” means—

(a) any thing specified in Schedule 2A, other than—

(i) any thing which is critical-industry technology, or

(ii) any thing for the time being specified in—

³³ 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.

³⁴ 2018 c.13.

³⁵ S.I. 2019/855, as amended by S.I. 2020/590; S.I. 2020/951; S.I. 2022/123; S.I. 2022/194; and by the Sentencing Act 2020 (c.17).

³⁶ SI 2019/855, as amended by SI 2020/590 and SI 2020/951, was applied to the Island by SD 2020/0504.

(aa) Schedule 2 or 3 to the Export Control Order 2008³⁷, or

(bb) Annex I of the Dual-Use Regulation, and

(b) any tangible storage medium on which critical-industry technology is recorded or from which it can be derived;

“critical-industry technology” means any thing described in Schedule 2A as software or technology, other than any thing for the time being specified in—

(a) Schedule 2 or 3 to the Export Control Order 2008, or

(b) Annex I of the Dual-Use Regulation;”;

(b) after the definition of “military technology”, insert—

“restricted goods” means—

(a) critical-industry goods;

(b) dual-use goods;

(c) military goods;

“restricted technology” means—

(a) critical-industry technology;

(b) dual-use technology;

(c) military technology;”.

4. (1) In the heading of Chapter 2 of Part 5 (Trade), for “Military goods, military technology”, substitute “Restricted goods, restricted technology”.

(2) In the following provisions, for “military goods”, in each place it occurs, substitute “restricted goods”—

(a) regulation 22 (export of military goods), including in the heading;

(b) regulation 24(1)(a) (supply and delivery of military goods to a place in Russia), and the heading to regulation 24;

(c) regulation 25(1)(a) and (b) (making available of military goods and military technology), and the heading to regulation 25;

(d) regulations 27 to 29 (technical assistance, financial services etc. and brokering services), including in the headings to each of those regulations.

(3) In the following regulations, for “military technology”, in each place it occurs, substitute “restricted technology”—

(a) regulation 25(1)(a) and (b) (making available of military goods and military technology), and the heading to regulation 25;

(b) regulation 26(1)(a) and (b) (transfer of military technology), and the heading to regulation 26;

(c) regulations 27 to 29 (technical assistance, financial services etc. and brokering services), including in the headings to each of those regulations.

³⁷ S.I. 2008/3231. Schedule 2 was substituted by S.I. 2017/85 and Schedule 3 was substituted by S.I. 2010/2007. Subsequent amendments to those Schedules were made by S.I. 2012/1910; S.I. 2014/1069; S.I. 2015/940; S.I. 2017/85; S.I. 2017/697; S.I. 2018/165; S.I. 2018/939; S.I. 2019/137; S.I. 2019/989; S.I. 2019/1159; S.I. 2020/1502 and S.I. 2021/586. There are other instruments which amend other parts of the Order.

5. Omit Chapter 3 of Part 5 (Dual-use goods, dual-use technology and related activities).

Exceptions

6. After regulation 60 (exceptions relating to investments in relation to Crimea), insert—

“Trade: exceptions in relation to personal effects etc.

60A. (1) The prohibitions in regulations 22 (export of restricted goods), 24(1)(a) (supply and delivery of restricted goods), 25(1)(a) and (b) (making restricted goods and restricted technology available), 26(1)(a) and (b) (transfer of restricted technology), and 27 to 29 (technical assistance, financial services etc. and brokering services) are not contravened by a relevant activity in relation to any critical-industry goods or critical- industry technology which are—

- (a) the personal effects of a person travelling to Russia,
- (b) of a non-commercial nature for the personal use of a person travelling to Russia and contained in that person’s luggage, or
- (c) necessary for the official purposes of a diplomatic mission or consular post in Russia, or of an international organisation enjoying immunities in accordance with international law.

- (2) For the purposes of paragraph (1)—

“consular post” has the same meaning as in the Vienna Convention on Consular Relations done at Vienna on 24 April 1963³⁸, and any reference to the functions of a consular post is to be read in accordance with that Convention;

“critical-industry goods” has the meaning given in regulation 21 (interpretation of Part 5);

“critical-industry technology” has the meaning given in regulation 21 (interpretation of Part 5);

“diplomatic mission”, and any reference to the functions of a diplomatic mission, is to be read in accordance with the Vienna Convention on Diplomatic Relations done at Vienna on 18 April 1961³⁹;

“relevant activity” means any activity which would, in the absence of this regulation, contravene the prohibitions specified in paragraph (1).

Trade: exceptions in relation to consumer communication devices and software updates

60B. (1) The prohibitions in regulations 22 (export of restricted goods), 24(1)(a) (supply and delivery of restricted goods), 25(1)(a) and (b) (making restricted goods and restricted technology available), 26(1)(a) and (b) (transfer of restricted technology), and 27 to 29 (technical assistance, financial services etc. and brokering services) are not contravened by a relevant activity in relation to critical-industry goods or critical-industry technology which are—

- (a) consumer communication devices for civilian use, or
- (b) software updates for civilian use.

- (2) For the purposes of paragraph (1)—

- (a) “consumer communication devices” has the meaning given in Schedule 2B;

³⁸ United Nations Treaty Series, vol. 596, p.261.

³⁹ United Nations Treaty Series, vol. 500, p.95.

"critical-industry goods" has the meaning given in regulation 21 (interpretation of Part 5);

"critical-industry technology" has the meaning given in regulation 21 (interpretation of Part 5);

"relevant activity" means any activity which would, in the absence of this regulation, contravene the prohibitions specified in that paragraph;

- (b) goods are "for civilian use" if they are not—
 - (i) for use by the Russian military or any other military end-user, or
 - (ii) for any military use;
- (c) technology is "for civilian use" if it—
 - (i) does not relate to activities carried on or proposed to be carried on by the Russian military or any other military end user, and
 - (ii) is not for any military use.

Trade: exceptions in relation to aircraft and vessels

60C. (1) For the purposes of regulations 22 (export of restricted goods) and 28 (financial services and funds), the removal of an aircraft or vessel from the ~~United Kingdom~~ **Isle of Man** to Russia is not an export of critical-industry goods, provided that the following conditions are met—

- (a) the aircraft or vessel is removed under its own power,
- (b) in the case of an aircraft, it—
 - (i) is carrying goods or passengers when removed, or
 - (ii) is removed in order to undertake a journey carrying goods or passengers, and
- (c) the removal of the aircraft or vessel is not for the purpose of—
 - (i) a transfer of ownership of the aircraft or vessel or any of its component parts, or
 - (ii) a change of the operator of the aircraft or vessel.

(2) The prohibitions in regulations 24(1)(a) (supply and delivery of restricted goods), 25(1)(a) and (b) (making restricted goods and restricted technology available), 26(1)(a) and (b) (transfer of restricted technology), and 27 to 29 (technical assistance, financial services etc. and brokering services) are not contravened by any of the following activities, to the extent that the activity is done in connection with a qualifying removal—

- (a) the supply or delivery of critical-industry goods;
- (b) making critical-industry goods or critical-industry technology available;
- (c) the transfer of critical-industry technology;
- (d) the provision of technical assistance or financial services;
- (e) the making available of funds;
- (f) the provision of any brokering service.

(3) In this regulation—

"critical-industry goods" has the meaning given in regulation 21 (interpretation of Part 5);

"critical-industry technology" has the meaning given in regulation 21 (interpretation of Part 5);

“operator”, in relation to an aircraft or vessel, means the person having the management of the aircraft;

“qualifying removal” means a removal of an aircraft or vessel from the ~~United Kingdom~~ **Isle of Man** to Russia in relation to which the conditions set out in paragraph (1) are met.”

Exception for emergencies in certain cases

7. (1) For regulation 61(1), substitute—

“**61.** (1) The prohibitions specified in paragraph (1A) are not contravened by any act done by a person (“P”), where P provides justification to the ~~Secretary of State~~ **Treasury** within the relevant period that the act is an act dealing with an emergency.

(1A) Paragraph (1) applies to the prohibitions—

(a) in regulations 40 to 46 (prohibitions relating to energy-related goods etc.) and regulations 48 to 54 (prohibitions relating to infrastructure in Crimea);

(b) in regulations 22 (export of restricted goods), 24(1)(a), (supply and delivery of restricted goods), 25(1)(a) and (b) (making available of restricted goods and restricted technology), 26(1)(a) and (b) (transfer of restricted technology), and 27 to 29 (technical assistance, financial services etc. and brokering services) so far as they apply to critical-industry goods or critical-industry technology.”

(2) In regulation 61(2), after the definition of “an act dealing with an emergency,” insert—

““critical-industry goods” has the meaning given in regulation 21 (interpretation of Part 5);

“critical-industry technology” has the meaning given in regulation 21 (interpretation of Part 5);”

Enforcement

8. In regulation 86(3) and (5) (trade offences in CEMA: modification of penalty), omit “32,”.

9. In regulation 89(2) (exercise of maritime enforcement powers)—

(a) in sub-paragraph (a), for “military goods and military technology”, substitute “restricted goods and restricted technology”;

(b) omit sub-paragraph (b).

Amendments to schedules

10. (1) After Schedule 2 (Persons named in relation to financial restrictions), insert Schedules 2A and 2B, which are set out in the Schedule to these Regulations.

(2) Omit Schedule 4 (Persons named in relation to dual-use items restrictions).

Transitional provisions: Chapter 3 trade licences

11. (1) Paragraph (2) applies in relation to each trade licence which—

(a) was in effect immediately before the relevant time, and

(b) authorised an act—

(i) which would otherwise have been prohibited, immediately

before the relevant time, under Chapter 3 of Part 5 of the 2019 Regulations, and

- (ii) which would, on and after the coming into ~~force~~ **operation** of these Regulations, and in the absence of paragraphs (2) and (3), instead be prohibited under Chapter 2 of Part 5 (restricted goods etc.) of the 2019 Regulations,

and such a licence is referred to in this regulation as “a Chapter 3 trade licence”.

(2) A Chapter 3 trade licence continues to have effect on and after the relevant time as if it had been issued to authorise an act which would otherwise be prohibited under Chapter 2 of Part 5 of the 2019 Regulations.

(3) Any reference in an existing trade sanctions licence to a provision of Chapter 3 of Part 5 of the 2019 Regulations is to be treated, on and after the relevant time, as a reference to the corresponding provision of Chapter 2 of Part 5 of the 2019 Regulations.

(4) For the purposes of this regulation—

“2019 Regulations” means the Russia (Sanctions) (EU Exit) Regulations 2019, **as they have effect in the Isle of Man**⁴⁰;

“trade licence” means a licence—

- (a) granted by the ~~Secretary of State~~ **Treasury** under regulation 65 of the 2019 Regulations,
- (b) deemed to have been issued under regulation 65 of the 2019 Regulations, in accordance with regulation 101(2) of the 2019 Regulations, or
- (c) which has effect as if it were a licence which had been issued by the ~~Secretary of State~~ **Treasury** under regulation 65 of the 2019 Regulations, in accordance with regulation 101(4) of the 2019 Regulations;

“relevant time” means the time at which these Regulations come into ~~force~~ **operation**.

Elizabeth Truss

Secretary of State for Foreign, Commonwealth and Development
Affairs at 8.11 p.m. on 28th February 2022 Foreign, Commonwealth and Development
Office

⁴⁰ SI 2019/855, as amended by SI 2020/590 and SI 2020/951, was applied to the Island by SD 2020/0504.

SCHEDULE

Regulation 10

"SCHEDULE 2A

Regulation 21

Critical-industry goods and critical-industry technology

PART 1

Interpretation

1. (1) A thing is specified in this Schedule if it is specified in Parts 2 to 8, and a reference in any note in this Schedule to a thing being "controlled" or subject to "controls" is to be read as a reference to it being specified.
 - (2) In this Schedule, defined terms are printed in quotation marks.
 - (3) Terms printed in quotation marks and not defined in this Schedule have the meaning given to them in—
 - (a) Schedules 2 and 3 of the Export Control Order 2008, or
 - (b) Annex I of the Dual-Use Regulation, as applicable.
2. (1) In this Schedule—

"dynamic adaptive routing" means automatic rerouting of traffic based on sensing and analysis of current actual network conditions, but does not include cases of routing decisions taken on predefined information;

"fluoride fibres" means fibres manufactured from bulk fluoride compounds;

"hybrid computer" means equipment that can—

 - (a) accept data,
 - (b) process data, in both analogue and digital representation, and
 - (c) provide output of data;

"media access unit" means equipment that contains one or more communication interfaces ("network access controller", "communications channel controller", modem or computer bus) to connect terminal equipment to a network;

"stored program controlled" means a control using instructions stored in an electronic storage that a processor can execute in order to direct the performance of predetermined functions, and equipment may be "stored program controlled" whether the electronic storage is internal or external to the equipment;

"terminal interface equipment" means equipment at which information enters or leaves the telecommunication systems, for example a telephone, data device, computer, or facsimile device.
- (2) For the purposes of this Schedule, the interpretative notes set out in Table 1 apply.

Table 1

Interpretative notes

"multi-data-stream processing" refers to the "microprogram" or equipment architecture technique that permits simultaneous processing of two or more data sequences under the control of one or more instruction sequences by means such as:

Single Instruction Multiple Data (SIMD) architectures such as vector or arrayprocessors;

Multiple Single Instruction Multiple Data (MSIMD) architectures;

Multiple Instruction Multiple Data (MIMD) architectures, including those that are tightly coupled, closely coupled or loosely coupled;

structured arrays of processing elements, including systolic arrays.

"data signalling rate" means the rate, as defined in International Telecommunications Union Recommendation 53-36, taking into account that, for non-binary modulation, baud and bit per second are not equal.

Bits for coding, checking and synchronization functions are to be included.

When determining the "data signalling rate", servicing and administrative channels shall be excluded.

It is the maximum one-way rate, i.e., the maximum rate in either transmission or reception.

"spectral efficiency" is a figure of merit parametrized to characterize the efficiency of transmission system that uses complex modulation schemes such as QAM (quadrature amplitude modulation), Trellis coding, QSPK (Q-phased shift key), etc..

It is defined as the

Digital transfer rate (bits/second) divided by 6dB spectrum bandwidth (Hz).

**PART 2
Electronics**

3A991 Electronic devices and components

- a. "Microprocessor microcircuits", "microcomputer microcircuits", and microcontroller microcircuits having any of the following:
 - a.1. A performance speed of 5 GFLOPS or more and an arithmetic logic unit with an access width of 32 bit or more;
 - a.2. A clock frequency rate exceeding 25 MHz; or
 - a.3. More than one data or instruction bus or serial communication port that provides a direct external interconnection between parallel "microprocessor microcircuits" with a transfer rate of 2.5 Mbyte/s;
- b. Storage integrated circuits, as follows:
 - b.1. Electrical erasable programmable read-only memories (EEPROMs) with a storage capacity;
 - b.1.a. Exceeding 16 Mbits per package for flash memory types; or
 - b.1.b. Exceeding either of the following limits for all other EEPROM types:
 - b.1.b.1. Exceeding 1 Mbit per package; or
 - b.1.b.2. Exceeding 256 kbit per package and a maximum access time of less than 80 ns;
- c. Analog-to-digital converters having any of the following:
 - c.1. A resolution of 8 bit or more, but less than 12 bit, with an output rate greater than 200 million words per second;
 - c.2. A resolution of 12 bit with an output rate greater than 105

- million words per second;
- c.3. A resolution of more than 12 bit but equal to or less than 14 bit with an output rate greater than 10 million words per second; or
- c.4. A resolution of more than 14 bit with an output rate greater than 2.5 million words per second;
- d. Field programmable logic devices having a maximum number of single-ended digital input/outputs between 200 and 700;
- e. Fast Fourier Transform (FFT) processors having a rated execution time for a 1,024 point complex FFT of less than 1 ms;
- f. Custom integrated circuits for which either the function is unknown, or the control status of the equipment in which the integrated circuits will be used is unknown to the manufacturer, having any of the following:
 - f.1. More than 144 terminals; or
 - f.2. A typical "basic gate propagation delay time" of less than 0.4 ns;
- g. Traveling-wave "vacuum electronic devices," pulsed or continuous wave, as follows:
 - g.1. Coupled cavity devices, or derivatives thereof;
 - g.2. Devices based on helix, folded waveguide, or serpentine waveguide circuits, or derivatives thereof, having either of the following:
 - g.2.a. An "instantaneous bandwidth" of half an octave or more; and
 - g.2.b. The product of the rated average output power (expressed in kW) and the maximum operating frequency (expressed in GHz) of more than 0.2; or
 - g.2.c. An "instantaneous bandwidth" of less than half an octave; and
 - g.2.d. The product of the rated average output power (expressed in kW) and the maximum operating frequency (expressed in GHz) of more than 0.4;
- h. Flexible waveguides designed for use at frequencies exceeding 40 GHz;
- i. Surface acoustic wave and surface skimming (shallow bulk) acoustic wave devices (i.e., "signal processing" devices employing elastic waves in materials), having either of the following:
 - i.1. A carrier frequency exceeding 1 GHz; or
 - i.2. A carrier frequency of 1 GHz or less; and
 - i.2.a. A frequency side-lobe rejection exceeding 55 dB;
 - i.2.b. A product of the maximum delay time and bandwidth (time in μs and bandwidth in MHz) of more than 100; or
 - i.2.c. A dispersive delay of more than 10 μs ;
- j. Cells as follows:
 - j.1. Primary cells having an energy density of 550 Wh/kg or less at 293 K (20°C);
 - j.2. Secondary cells having an energy density of 350 Wh/kg or less at 293 K (20°C);

Note: 3A991.j does not control batteries, including single cell batteries.

Technical Notes:

1. *For the purposes of 3A991.j energy density (Wh/kg) is calculated from the nominal voltage multiplied by the nominal capacity in ampere-hours divided by the mass in kilograms. If the nominal capacity is not stated, energy density is calculated from the nominal voltage squared then multiplied by the discharge duration in hours divided by the discharge load in Ohms and the mass in kilograms.*
2. *For the purposes of 3A991.j, a 'cell' is defined as an electrochemical device, which has positive and negative electrodes, and electrolyte, and is a source of electrical energy. It is the basic building block of a battery.*
3. *For the purposes of 3A991.j.1, a 'primary cell' is a 'cell' that is not designed to be charged by any other source.*

4. For the purposes of 3A991.j.2, a 'secondary cell' is a 'cell' that is designed to be charged by an external electrical source.
- k. "Superconductive" electromagnets or solenoids, specially designed to be fully charged or discharged in less than one minute, having all of the following:
- Note:** 3A991.k does not control "superconductive" electromagnets or solenoids specially designed for Magnetic Resonance Imaging (MRI) medical equipment.
- k.1. Maximum energy delivered during the discharge divided by the duration of the discharge of more than 500 kJ per minute;
- k.2. Inner diameter of the current carrying windings of more than 250 mm; and
- k.3. Rated for a magnetic induction of more than 8T or "overall current density" in the winding of more than 300 A/mm²;
- l. Circuits or systems designed for electromagnetic energy storage, containing components manufactured from "superconductive" materials specially designed for operation at temperatures below the "critical temperature" of at least one of their "superconductive" constituents, having all of the following:
- l.1. Resonant operating frequencies exceeding 1 MHz;
- l.2. A stored energy density of 1 MJ/m³ or more; and
- l.3. A discharge time of less than 1 ms;
- m. Hydrogen/hydrogen-isotope thyratrons of ceramic-metal construction and rated for a peak current of 500 A or more;
- n. Digital integrated circuits based on any compound semiconductor having an equivalent gate count of more than 300 (2 input gates);
- o. "Space qualified" solar cells, cell-interconnect-coverglass (CIC) assemblies, solar panels, and solar arrays.

3A992 General purpose electronic equipment, as follows:

- a. Electronic test equipment;
- b. Digital instrumentation magnetic tape data recorders having any of the following:
- b.1. A maximum digital interface transfer rate exceeding 60 Mbit/s and employing helical scan techniques;
- b.2. A maximum digital interface transfer rate exceeding 120 Mbit/s and employing fixed head techniques; or
- b.3. "Space qualified";
- c. Equipment having a maximum digital interface transfer rate exceeding 60 Mbit/s and designed to convert digital video magnetic tape recorders for use as digital instrumentation data recorders;
- d. Non-modular analogue oscilloscopes having a bandwidth of 1 GHz or greater;
- e. Modular analogue oscilloscope systems having either of the following:
- e.1. A mainframe with a bandwidth of 1 GHz or greater; or
- e.2. Plug-in modules with an individual bandwidth of 4 GHz or greater;
- f. Analogue sampling oscilloscopes for the analysis of recurring phenomena with an effective bandwidth greater than 4 GHz;
- g. Digital oscilloscopes and transient recorders, using analogue-to-digital conversion techniques, capable of storing transients by sequentially sampling single-shot inputs at successive intervals of less than 1 ns (greater than 1 giga-sample per second), digitising to 8 bits or greater resolution and storing 256 or more samples.

Note: This entry controls the following components designed for analogue oscilloscopes:

1. Plug-in units;
2. External amplifiers;

3. *Pre-amplifiers;*
4. *Sampling devices;*
5. *Cathode ray tubes.*

3A999 Specific processing equipment as follows.

- a. Frequency changers capable of operating in the frequency range from 300 up to 600 Hz;
- b. Mass spectrometers;
- c. All flash x-ray machines, and components of pulsed power systems designed therefor, including Marx generators, high power pulse shaping networks, high voltage capacitors, and triggers;
- d. Pulse amplifiers;
- e. Time delay generation or time interval measurement equipment, as follows:
 - e.1. Digital time delay generators having a resolution of 50 nanoseconds or less overtime intervals of 1ms or greater; *or*
 - e.2. Multi-channel (three or more) or modular time interval meter and chronometry equipment having a resolution of 50 ns or less over time intervals of 1 ms or greater;
- f. Chromatography and spectrometry analytical instruments

3B991 Equipment for the manufacture of electronic components and materials, and specially designed components therefor.

- a. Equipment specially designed for the manufacture of electron tubes, optical elements and components controlled by entry 3A001 of Annex I of the Dual-Use Regulation, or entry 3A991;
- b. Equipment for the manufacture of semiconductor devices, integrated circuits and "electronic assemblies", as follows, and systems incorporating or having the characteristics of such equipment:

Note: *3B991.b also controls equipment used or modified for use in the manufacture of other devices, such as imaging devices, electro-optical devices, acoustic-wave devices.*

- b.1. Equipment for the processing of materials for the manufacture of devices and components, as specified in the heading of 3B991.b, as follows:

Note: *3B991 does not control quartz furnace tubes, furnace liners, paddles, boats (except specially designed caged boats), bubblers, cassettes or crucibles specially designed for the processing equipment*

- b.1.a. Equipment specially designed for producing polycrystalline silicon and materials controlled by entry 3A001 of Annex I of the Dual-Use Regulation;
- b.1.b. Equipment specially designed for purifying or processing III/V and II/VI semiconductor materials controlled by entries 3C001, 3C002, 3C003, 3C004, or 3C005 of Annex I of the Dual-Use Regulation except crystal pullers, for which see 3B991.b.1.c below;
- b.1.c. Crystal pullers and furnaces, as follows:

Note: *3B991.b.1.c does not control diffusion and oxidation furnaces.*

- b.1.c.1. Annealing or recrystallising equipment other than constant temperature furnaces employing high rates of energy transfer capable of processing wafers at a rate exceeding 0.005 m² per minute;

- b.1.c.2. "Stored program controlled" crystal pullers having any of the following:
 - b.1.c.2.a. Rechargeable without replacing the crucible container;
 - b.1.c.2.b. Capable of operation at pressures above 2.5×10^5 Pa; *or*
 - b.1.c.2.c. Capable of pulling crystals of a diameter exceeding 100mm;
- b.1.d. "Stored program controlled" equipment for epitaxial growth having any of the following:
 - b.1.d.1. Capable of producing silicon layer with a thickness uniform to less than $\pm 2.5\%$ across a distance of 200 mm or more;
 - b.1.d.2. Capable of producing a layer of any material other than silicon with a thickness uniformity across the wafer of equal to or better than $\pm 3.5\%$; *or*
 - b.1.d.3. Capable of rotating individual wafers during processing;
- b.1.e. Molecular beam epitaxial growth equipment;
- b.1.f. Magnetically enhanced 'sputtering' equipment with specially designed integral load locks capable of transferring wafers in an isolated vacuum environment;

Note: 'Sputtering' is an overlay coating process wherein positively charged ions are accelerated by an electric field towards the surface of a target (coating material). The kinetic energy of the impacting ions is sufficient to cause target surface atoms to be released and deposited on the substrate.

(Note: Triode, magnetron or radio frequency sputtering to increase adhesion of coating and rate of deposition are ordinary modifications of the process.)

- b.1.g. Equipment specially designed for ion implantation, ion-enhanced or photo-enhanced diffusion, having any of the following:
 - b.1.g.1. Patterning capability;
 - b.1.g.2. Beam energy (accelerating voltage) exceeding 200 keV;
 - b.1.g.3. Optimised to operate at a beam energy (accelerating voltage) of less than 10 keV; *or*
 - b.1.g.4. Capable of high energy oxygen implant into a heated "substrate";
- b.1.h. "Stored program controlled" equipment for selective removal (etching) by means of anisotropic dry methods (e.g., plasma), as follows:
 - b.1.h.1. 'Batch types' having either of the following:
 - b.1.h.1.a. End-point detection, other than optical emission spectroscopy types; *or*
 - b.1.h.1.b. Reactor operational (etching) pressure of 26.66 Pa or less;
 - b.1.h.2. 'Single wafer types' having any of the following:
 - b.1.h.2.a. End-point detection, other than optical emission spectroscopy types;
 - b.1.h.2.b. Reactor operational (etching) pressure of 26.66 Pa or less; *or*
 - b.1.h.2.c. Cassette-to-cassette and load locks

wafer handling;

Notes. 1. 'Batch types' refers to machines not specially designed for production processing of single wafers. Such machines can process two or more wafers simultaneously with common process parameters, e.g., RF power, temperature, etch gas species, flow rates.

2. 'Single wafer types' refers to machines specially designed for production processing of single wafers. These machines may use automatic wafer handling techniques to load a single wafer into the equipment for processing. The definition includes equipment that can load and process several wafers but where the etching parameters, e.g., RF power or end point, can be independently determined for each individual wafer.

- b.1.i. "Chemical vapor deposition" (CVD) equipment, e.g., plasma-enhanced CVD (PECVD) or photo-enhanced CVD, for semiconductor device manufacturing, having either of the following capabilities, for deposition of oxides, nitrides, metals or polysilicon:
 - b.1.i.1. "Chemical vapor deposition" equipment operating below 10^5 Pa; or
 - b.1.i.2. PECVD equipment operating either below 60 Pa (450 millitorr) or having automatic cassette-to-cassette and load lock wafer handling;

Note: 3B991.b.1.i does not control low pressure "chemical vapor deposition" (LPCVD) systems or reactive 'sputtering' equipment.

- b.1.j. Electron beam systems specially designed or modified for mask making or semiconductor device processing having any of the following:
 - b.1.j.1. Electrostatic beam deflection;
 - b.1.j.2. Shaped, non-Gaussian beam profile;
 - b.1.j.3. Digital-to-analogue conversion rate exceeding 3 MHz;
 - b.1.j.4. Digital-to-analogue conversion accuracy exceeding 12 bit; *or*
 - b.1.j.5. Target-to-beam position feedback control precision of 1 μ m or finer;

Note: 3B991.b.1.j does not control electron beam deposition systems or general purpose scanning electron microscopes.

- b.1.k. Surface finishing equipment for the processing of semiconductor wafers as follows:
 - b.1.k.1. Specially designed equipment for backside processing of wafer thinner than 100 μ m and the subsequent separation thereof; *or*
 - b.1.k.2. Specially designed equipment for achieving a surface roughness of the active surface of a processed wafer with a two-sigma value of 2 μ m or less, total indicator reading (TIR);

Note: 3B991.b.1.k does not control single-side lapping and polishing equipment for wafer surface finishing.

- b.1.l. Interconnection equipment which includes common single

or multiple vacuum chambers specially designed to permit the integration of any equipment controlled by 3B991 into a complete system;

- b.1.m. "Stored program controlled" equipment using "lasers" for the repair or trimming of "monolithic integrated circuits" with either of the following:
 - b.1.m.1. Positioning accuracy less than $\pm 1 \mu\text{m}$; or
 - b.1.m.2. Spot size (kerf width) less than $3 \mu\text{m}$.
- b.2. 'Masks', 'mask' "substrates," mask-making equipment and image transfer equipment for the manufacture of devices and components as specified in the heading of 3B991, as follows:

Note: The term 'masks' or 'mask' refers to those used in electron beam lithography, X-ray lithography, and ultraviolet lithography, as well as the usual ultraviolet and visible photo-lithography.

- b.2.a. Finished masks, reticles and designs therefor, except:
 - b.2.a.1. Finished masks or reticles for the production of integrated circuits not controlled by entry 3A001 of Annex I of the Dual-Use Regulation;
or
 - b.2.a.2. Masks or reticles, having both of the following:
 - b.2.a.2.a. Their design is based on geometries of $2.5 \mu\text{m}$ or more; and
 - b.2.a.2.b. The design does not include special features to alter the intended use by means of production equipment or "software";
- b.2.b. Mask "substrates" as follows:
 - b.2.b.1. Hard surface (e.g., chromium, silicon, molybdenum) coated "substrates" (e.g., glass, quartz, sapphire) for the preparation of masks having dimensions exceeding $125 \text{ mm} \times 125 \text{ mm}$;
or
 - b.2.b.2. "Substrates" specially designed for X-ray masks;
- b.2.c. Equipment, other than general purpose computers, specially designed for computer aided design (CAD) of semiconductor devices or integrated circuits;
- b.2.d. Equipment or machines, as follows, for mask or reticle fabrication:

Note: *3B991.b.2.d.1 and b.2.d.2 do not control mask fabrication equipment using photo-optical methods which was either commercially available before the 1st January, 1980, or has a performance no better than such equipment.*

- b.2.d.1. Photo-optical step and repeat cameras capable of producing arrays larger than $100 \text{ mm} \times 100 \text{ mm}$, or capable of producing a single exposure larger than $6 \text{ mm} \times 6 \text{ mm}$ in the image (i.e., focal) plane, or capable of producing line widths of less than $2.5 \mu\text{m}$ in the photoresist on the "substrate";
- b.2.d.2. Mask or reticle fabrication equipment using ion or "laser" beam lithography capable of producing line widths of less than $2.5 \mu\text{m}$; or
- b.2.d.3. Equipment or holders for altering masks or

- reticles or adding pellicles to remove defects;
- b.2.e. "Stored program controlled" equipment for the inspection of masks, reticles or pellicles with:
 - b.2.e.1. A resolution of 0.25 μm or finer; and
 - b.2.e.2. A precision of 0.75 μm or finer over a distance in one or two coordinates of 63.5 mm or more;

Note: 3B991.b.2.e does not control general purpose scanning electron microscopes except when specially designed and instrumented for automatic pattern inspection.

- b.2.f. Align and expose equipment for wafer production using photo-optical or X-ray methods, e.g., lithography equipment, including both projection image transfer equipment and step and repeat (direct step on wafer) or step and scan (scanner) equipment, capable of performing any of the following:

Note: *3B991.b.2.f does not control photo-optical contact and proximity mask align and expose equipment or contact image transfer equipment.*

- b.2.f.1. Production of a pattern size of less than 2.5 μm ;
- b.2.f.2. Alignment with a precision finer than $\pm 0.25 \mu\text{m}$ (3 sigma);
- b.2.f.3. Machine-to-machine overlay no better than $\pm 0.3 \mu\text{m}$;
or
- b.2.f.4. A light source wavelength shorter than 400 nm;
- b.2.g. Electron beam, ion beam or X-ray equipment for projection image transfer capable of producing patterns less than 2.5 μm ;

Note: *For focused, deflected-beam systems (direct write systems), see 3B991.b.1.j or b.10.*

- b.2.h. Equipment using "lasers" for direct write on wafers capable of producing patterns less than 2.5 μm .
- b.3. Equipment for the assembly of integrated circuits, as follows:
 - b.3.a. "Stored program controlled" die bonders having all of the following:
 - b.3.a.1. Specially designed for "hybrid integrated circuits";
 - b.3.a.2. X-Y stage positioning travel exceeding 37.5 x 37.5 mm;
and
 - b.3.a.3. Placement accuracy in the X-Y plane of finer than $\pm 10 \mu\text{m}$;
 - b.3.b. "Stored program controlled" equipment for producing multiple bonds in a single operation (e.g., beam lead bonders, chip carrier bonders, tape bonders);
 - b.3.c. Semi-automatic or automatic hot cap sealers, in which the cap is heated locally to a higher temperature than the body of the package, specially designed for ceramic microcircuit packages controlled by entry 3A001 of Annex I of the Dual-Use Regulation and that have a throughput equal to or more than one package per minute.
- b.4. Filters for clean rooms capable of providing an air environment of 10 or less particles of 0.3 μm or smaller per 0.02832 m^3 and filter materials therefor.

3B992 Equipment for the inspection or testing of electronic components and materials, and specially designed components therefor.

- a. Equipment specially designed for the inspection or testing of electron tubes, optical elements and specially designed components therefor, controlled by entry 3A001 of Annex I of the Dual-Use Regulation or 3A991;
- b. Equipment specially designed for the inspection or testing of semiconductor devices, integrated circuits and "electronic assemblies", as follows, and systems incorporating or having the characteristics of such equipment:

Note: 3B992.b also controls equipment used or modified for use in the inspection or testing of other devices, such as imaging devices, electro-optical devices, acoustic-wave devices.

- b.1. "Stored program controlled" inspection equipment for the automatic detection of defects, errors or contaminants of 0.6 μm or less in or on processed wafers, "substrates", other than printed circuit boards or integrated circuits, using optical image acquisition techniques for pattern comparison;

Note: 3B992.b.1 does not control general purpose scanning electron microscopes, except when specially designed and instrumented for automatic pattern inspection.

- b.2. Specially designed "stored program controlled" measuring and analysis equipment, as follows:
 - b.2.a. Specially designed for the measurement of oxygen or carbon content in semiconductor materials;
 - b.2.b. Equipment for line width measurement with a resolution of 1 μm or finer;
 - b.2.c. Specially designed flatness measurement instruments capable of measuring deviations from flatness of 10 μm or less with a resolution of 1 μm or finer.
- b.3. "Stored program controlled" wafer probing equipment having any of the following:
 - b.3.a. Positioning accuracy finer than 3.5 μm ;
 - b.3.b. Capable of testing devices having more than 68 terminals; *or*
 - b.3.c. Capable of testing at a frequency exceeding 1 GHz;
- b.4. Test equipment as follows:
 - b.4.a. "Stored program controlled" equipment, specially designed for testing discrete semiconductor devices and unencapsulated dice, capable of testing at frequencies exceeding 18 GHz;

Technical Note: Discrete semiconductor devices include photocells and solar cells.

- b.4.b. "Stored program controlled" equipment specially designed for testing integrated circuits and "electronic assemblies" thereof, capable of functional testing:
 - b.4.b.1. At a 'pattern rate' exceeding 20 MHz; *or*
 - b.4.b.2. At a 'pattern rate' exceeding 10 MHz but not exceeding 20 MHz and capable of testing packages of more than 68 terminals.

Notes: 3B992.b.4.b does not control test equipment specially designed for testing:

1. Memory;

2. "Electronic assemblies" for home and entertainment applications; and
3. Electronic components, and integrated circuits not controlled by entry 3A001 of Annex I of the Dual-Use Regulation or 3A991 provided such test equipment does not incorporate computing facilities with "user accessible programmability".

Technical Note: For purposes of 3B992.b.4.b, 'pattern rate' is defined as the maximum frequency of digital operation of a tester. It is therefore equivalent to the highest data rate that a tester can provide in non-multiplexed mode. It is also referred to as test speed, maximum digital frequency or maximum digital speed.

- b.4.c. Equipment specially designed for determining the performance of focal-plane arrays at wavelengths of more than 1,200 nm, using "stored program controlled" measurements or computer aided evaluation and having any of the following:
 - b.4.c.1. Using scanning light spot diameters of less than 0.12 mm;
 - b.4.c.2. Designed for measuring photosensitive performance parameters and for evaluating frequency response, modulation transfer function, uniformity of responsivity or noise; or
 - b.4.c.3. Designed for evaluating arrays capable of creating images with more than 32 x 32 line elements;
- b.5. Electron beam test systems designed for operation at 3 keV or below, or "laser" beam systems, for non-contact probing of powered-up semiconductor devices having any of the following:
 - b.5.a. Stroboscopic capability with either beam blanking or detector strobing;
 - b.5.b. An electron spectrometer for voltage measurements with a resolution of less than 0.5 V; or
 - b.5.c. Electrical test fixtures for performance analysis of integrated circuits;

Note: 3B992.b.5 does not control scanning electron microscopes, except when specially designed and instrumented for non-contact probing of a powered-up semiconductor device.
- b.6. "Stored program controlled" multifunctional focused ion beam systems specially designed for manufacturing, repairing, physical layout analysis and testing of masks or semiconductor devices and having either of the following:
 - b.6.a. Target-to-beam position feedback control precision of 1 µm or finer; or
 - b.6.b. Digital-to-analogue conversion accuracy exceeding 12 bit;
- b.7. Particle measuring systems employing "lasers" designed for measuring particle size and concentration in air having both of the following:
 - b.7.a. Capable of measuring particle sizes of 0.2 µm or less at a flow rate of 0.02832 m³ per minute or more; and
 - b.7.b. Capable of characterising Class 10 clean air or better.

3C992 Positive resists designed for semiconductor lithography specially adjusted (optimised) for use at wavelengths between 370 and 193 nm.

3D991 "Software" specially designed for the "development", "production", or "use" of electronic devices, or components controlled by entry 3A991 of Annex I of the Dual-Use Regulation, general purpose electronic equipment controlled by 3A992, or manufacturing and test equipment controlled by 3B991 and 3B992; or "software" specially designed for the "use" of equipment controlled by entry 3B001.g and h of Annex I of the Dual-Use Regulation.

3E991 "Technology" for the "development," "production" or "use" of electronic devices or components controlled by entry 3A991 of Annex I of the Dual-Use Regulation, general purpose electronic equipment controlled by 3A992, or manufacturing and test equipment controlled by 3B991 or 3B992, or materials controlled by 3C992.

PART 3 Computers

4A994 Computers, "electronic assemblies" and related equipment, and specially designed components therefor.

Note 1: The control status of the "digital computers" and related equipment described in 4A994 is determined by the control status of other equipment or systems provided:

a. The "digital computers" or related equipment are essential for the operation of the other equipment or systems;

b. The "digital computers" or related equipment are not a "principal element" of the other equipment or systems; and

N.b. 1: The control status of "signal processing" or "image enhancement" equipment specially designed for other equipment with functions limited to those required for the other equipment is determined by the control status of the other equipment even if it exceeds the "principal element" criterion.

N.b. 2: For the control status of "digital computers" or related equipment for telecommunication equipment, see Category 5, Part 1 (Telecommunications) of Annex I of the Dual-Use Regulation.

c. The "technology" for the "digital computers" and related equipment is determined by Category 4E of Annex I of the Dual-Use Regulation.

- a. Electronic computers and related equipment, and "electronic assemblies" and specially designed components therefor, rated for operation at an ambient temperature above 343 K (70°C);
- b. "Digital computers", including "signal processing" or "image enhancement" equipment, having an "Adjusted Peak Performance" ("APP") equal to or greater than 0.0128 Weighted TeraFLOPS (WT);
- c. "Electronic assemblies" that are specially designed or modified to enhance performance by aggregation of processors, as follows:
 - c.1. Designed to be capable of aggregation in configurations of 16 or more processors;
 - c.2. Not used.

Note 1: 4A994.c applies only to "electronic assemblies" and programmable interconnections with a "APP" not exceeding the limits in 4A994.b, when shipped as unintegrated "electronic assemblies". It does not apply to "electronic assemblies"

inherently limited by nature of their design for use as related equipment controlled by 4A994.k.

Note 2: 4A994.c does not control any "electronic assembly" specially designed for a product or family of products whose maximum configuration does not exceed the limits of 4A994.b.

- d. Not used;
- e. Not used;
- f. Equipment for "signal processing" or "image enhancement" having an "Adjusted PeakPerformance" ("APP") equal to or greater than 0.0128 Weighted TeraFLOPS WT;
- g. Not used;
- h. Not used;
- i. Equipment containing "terminal interface equipment" exceeding the limits in 5A991;
- j. Equipment specially designed to provide external interconnection of "digital computers" or associated equipment that allows communications at data rates exceeding 80 Mbyte/s;

Note: 4A994.j does not control internal interconnection equipment (e.g., backplanes, buses) passive interconnection equipment, "network access controllers" or "communication channel controllers".

- k. "Hybrid computers" and "electronic assemblies" and specially designed components therefor containing analogue-to-digital converters having all of the following:
 - k.1. 32 channels or more; and
 - k.2. A resolution of 14 bit (plus sign bit) or more with a conversion rate of 200,000 conversions/s or more.

4D993 "Program" proof and validation "software," "software" allowing the automatic generation of "source codes," and operating system "software" that are specially designed for "real-time processing" equipment.

- a. "Program" proof and validation "software" using mathematical and analytical techniques and designed or modified for "programs" having more than 500,000 "source code" instructions;
- b. "Software" allowing the automatic generation of "source codes" from data acquired on line from external sensors described in Annex I of the Dual-Use Regulation;
- c. Operating system "software" specially designed for "real-time processing" equipment that guarantees a "global interrupt latency time" of less than 20 μ s.

Note: "Global interrupt latency time" is the time taken by the computer system to recognise an interrupt due to the event, service the interrupt and perform a context switch to an alternate memory-resident task waiting on the interrupt.

4D994 Software" other than that controlled in entry 4D001 of Annex I of the Dual-Use Regulation specially designed or modified for the "development", "production", or "use" of equipment controlled by entry 4A101 of Annex I of the Dual-Use Regulation, or 4A994.

4E992 "Technology" for the "development," "production," or "use" of equipment controlled by 4A994, or "software" controlled by 4D993 or 4D994.

4E993 "Technology" for the "development" or "production" of equipment designed for "multi-data-stream processing."

PART 4
Telecommunications and information security

CHAPTER 1

Telecommunication equipment

5A991 Telecommunication equipment.

Note:

1. *'Asynchronous transfer mode' ('ATM') is a transfer mode in which the information is organised into cells; it is asynchronous in the sense that the recurrence of cells depends on the required or instantaneous bit rate.*
2. *'Bandwidth of one voice channel' is data communication equipment designed to operate in one voice channel of 3,100 Hz, as defined in CCITT Recommendation G.151.*
3. *'Communications channel controller' is the physical interface that controls the flow of synchronous or asynchronous digital information. It is an assembly that can be integrated into computer or telecommunications equipment to provide communications access.*
4. *'Datagram' is a self-contained, independent entity of data carrying sufficient information to be routed from the source to the destination data terminal equipment without reliance on earlier exchanges between this source and destination data terminal equipment and the transporting network.*
5. *'Gateway' is the function, realised by any combination of equipment and "software", to carry out the conversion of conventions for representing, processing or communicating information used on one system into the corresponding, but different conventions used in another system.*
6. *'Packet' is a group of binary digits including data and call control signals that is switched as a composite whole. The data, call control signals, and possible error control information are arranged in a specified format.*

- a. Any type of telecommunications equipment, not controlled by 5A001.a, specially designed to operate outside the temperature range from 219 K (-54 °C) to 397 K (124 °C).
- b. Telecommunication transmission equipment and systems, and specially designed components therefor, having any of the following characteristics, functions or features:
 - a. *Categorised as follows, or combinations thereof:*
 1. *Radio equipment (e.g., transmitters, receivers and transceivers);*
 2. *Line terminating equipment;*
 3. *Intermediate amplifier equipment;*
 4. *Repeater equipment;*
 5. *Regenerator equipment;*
 6. *Translation encoders (transcoders);*
 7. *Multiplex equipment (statistical multiplex included);*
 8. *Modulators/demodulators (modems);*
 9. *Transmultiplex equipment (see CCITT Rec. G701);*
 10. *"Stored program controlled" digital cross-connection equipment;*
 11. *'Gateways' and bridges;*

12. "Media access units"; and

b. *Designed for use in single or multi-channel communication via any of the following:*

1. *Wire (line);*
2. *Coaxial cable;*
3. *Optical fibre cable;*
4. *Electromagnetic radiation; or*
5. *Underwater acoustic wave propagation.*

b.1. Employing digital techniques, including digital processing of analogue signals, and designed to operate at a "digital transfer rate" at the highest multiplex level exceeding 45 Mbit/s or a "total digital transfer rate" exceeding 90 Mbit/s;

Note: 5A991.b.1 does not control equipment specially designed to be integrated and operated in any satellite system for civil use.

b.2. Modems using the 'bandwidth of one voice channel' with a "data signalling rate" exceeding 9,600 bits per second;

b.3. Being "stored program controlled" digital cross-connect equipment with "digital transfer rate" exceeding 8.5 Mbit/s per port.

b.4. Being equipment containing any of the following:

b.4.a. 'Network access controllers' and their related common medium having a "digital transfer rate" exceeding 33 Mbit/s; *or*

b.4.b. "Communication channel controllers" with a digital output having a "data signalling rate" exceeding 64,000 bit/s per channel;

Note: If any uncontrolled equipment contains a "network access controller", it cannot have any type of telecommunications interface, except those described in, but not controlled by 5A991.b.4.

b.5. Employing a "laser" and having any of the following:

b.5.a. A transmission wavelength exceeding 1,000 nm; *or*

b.5.b. Employing analogue techniques and having a bandwidth exceeding 45MHz;

Note: 5A991.b.5.b does not control commercial TV systems.

b.5.c. Employing coherent optical transmission or coherent optical detection techniques (also called optical heterodyne or homodyne techniques);

b.5.d. Employing wavelength division multiplexing techniques; *or*

b.5.e. Performing optical amplification;

b.6. Radio equipment operating at input or output frequencies exceeding:

b.6.a. 31 GHz for satellite-earth station applications; *or*

b.6.b. 26.5 GHz for other applications;

Note: 5A991.b.6. does not control equipment for civil use when conforming with an International Telecommunications Union (ITU) allocated band between 26.5 GHz and 31 GHz.

- b.7. Being radio equipment employing any of the following:
 - b.7.a. Quadrature-amplitude-modulation (QAM) techniques above level 4 if the "total digital transfer rate" exceeds 8.5 Mbit/s;
 - b.7.b. QAM techniques above level 16 if the "total digital transfer rate" is equal to or less than 8.5 Mbit/s;
 - b.7.c. Other digital modulation techniques and having a "spectral efficiency" exceeding 3 bit/s/Hz; or
 - b.7.d. Operating in the 1.5 MHz to 87.5 MHz band and incorporating adaptive techniques providing more than 15 dB suppression of an interfering signal.

Notes:

1. *5A991.b.7 does not control equipment specially designed to be integrated and operated in any satellite system for civil use.*
 2. *5A991.b.7 does not control radio relay equipment for operation in an ITU allocated band:*
 - a. *Having any of the following:*
 - a.1. *Not exceeding 960 MHz; or*
 - a.2. *With a "total digital transfer rate" not exceeding 8.5 Mbit/s; and*
 - b. *Having a "spectral efficiency" not exceeding 4 bit/s/Hz.*
- c. "Stored program controlled" switching equipment and related signalling systems, having any of the following characteristics, functions or features, and specially designed components therefor:

Note: Statistical multiplexers with digital input and digital output which provide switching are treated as "stored program controlled" switches.

- c.1. Data (message) switching equipment or systems designed for "packet-mode operation" and electronic assemblies and components therefor,
- c.2. Not used;
- c.3. Routing or switching of 'datagram' packets;

Note: The restrictions in 5A991.c.3 do not apply to networks restricted to using only 'network access controllers' or to 'network access controllers' themselves.

- c.4. Not used.
- c.5. Multi-level priority and pre-emption for circuit switching;

Note: 5A991.c.5 does not control single-level call pre-emption.

- c.6. Designed for automatic hand-off of cellular radio calls to other cellular switches or automatic connection to a centralised subscriber data base common to more than one switch;
- c.7. Containing "stored program controlled" digital cross connect equipment with "digital transfer rate" exceeding 8.5 Mbit/s per port.
- c.8. "Common channel signalling" operating in either non-associated or quasi-associated mode of operation;

- c.9. "Dynamic adaptive routing";
- c.10. Being packet switches, circuit switches and routers with ports or lines exceeding any of the following:
 - c.10.a. A "data signalling rate" of 64,000 bit/s per channel for a communications channel controller; or

Note: 5A991.c.10.a does not control multiplex composite links composed only of communication channels not individually controlled by 5A991.b.1.

- c.10.b. A "digital transfer rate" of 33 Mbit/s for a network access controller and related common media;

Note: 5A991.c.10 does not control packet switches or routers with ports or lines not exceeding the limits in 5A991.c.10.

- c.11. "Optical switching";
 - c.12. Employing 'Asynchronous Transfer Mode' ('ATM') techniques;
- d. Optical fibres and optical fibre cables of more than 50 m in length designed for single mode operation;
 - e. Centralised network control having all of the following:
 - e.1. Receives data from the nodes; and
 - e.2. Process these data in order to provide control of traffic not requiring operator decisions, and thereby performing "dynamic adaptive routing";

Note: 5A991.e does not preclude control of traffic as a function of predictable statistical traffic conditions.

- f. Phased array antennas, operating above 10.5 GHz, containing active elements and distributed components, and designed to permit electronic control of beam shaping and pointing, except for landing systems with instruments meeting International Civil Aviation Organisation (ICAO) standards (microwave landing systems (MLS));
- g. Mobile communications equipment and electronic assemblies and components therefor;
- h. Radio relay communications equipment designed for use at frequencies equal to or exceeding 19.7 GHz and components therefor.

5B991 Telecommunications test equipment.

5C991 Preforms of glass or of any other material optimised for the manufacture of optical fibres controlled by 5A991.

5D991 "Software" specially designed or modified for the "development," "production" or "use" of equipment controlled by 5A991 and 5B991, and dynamic adaptive routing software, as follows:

- a. "Software", other than in machine-executable form, specially designed for "dynamic adaptive routing";
- b. Not used.

5E991 "Technology" for the "development", "production" or "use" of equipment controlled by 5A991 or 5B991, or "software" controlled by 5D991, and other "technologies" as follows:

Note:

1. 'Synchronous digital hierarchy' (SDH) is a digital hierarchy providing a means to manage, multiplex, and access various forms of digital traffic using a synchronous transmission format on different types of media. The format is based on the Synchronous Transport Module (STM) that is defined by CCITT Recommendation G.703, G.707, G.708, G.709 and others yet to be published. The first level rate of 'SDH' is 155.52 Mbits/s.

2. 'Synchronous optical network' (SONET) is a network providing a means to manage, multiplex and access various forms of digital traffic using a synchronous transmission format on fiber optics. The format is the North America version of 'SDH' and also uses the Synchronous Transport Module (STM). However, it uses the Synchronous Transport Signal (STS) as the basic transport module with a first level rate of 51.81 Mbits/s. The SONET standards are being integrated into those of 'SDH'.

- a. Specific "technologies" as follows:
 - a.1. "Technology" for the processing and application of coatings to optical fibres specially designed to make it suitable for underwater use;
 - a.2. "Technology" for the "development" of equipment employing 'Synchronous Digital Hierarchy' ('SDH') or 'Synchronous Optical Network' ('SONET') techniques.

CHAPTER 2

Information security

5A992 "Information security" systems, equipment and components, described by entry 5A002 of Annex I of the Dual-Use Regulation and classified under Note 3 to Category 5, Part 2 of Annex I of the Dual-Use Regulation (Cryptography Note).

5D992 "Information Security" "software" described by entry 5D002 to Category 5, Part 2 in Annex I of the Dual-Use Regulation and classified under Note 3 to Category 5, Part 2 of Annex I of the Dual-Use Regulation (Cryptography Note).

Note: This entry does not control "software" designed or modified to protect against malicious computer damage, e.g., viruses, where the use of "cryptography" is limited to authentication, digital signature and/or the decryption of data or files.

5E992 "Information Security" "technology" as follows:

- a. "Technology" for the "use" of items controlled by 5A992 or "software" controlled by 5D992.

PART 5

Sensors and lasers

6A991 Marine or terrestrial acoustic equipment capable of detecting or locating underwater objects or features or positioning surface vessels or underwater vehicles; and specially designed components therefor.

6A992 Optical Sensors as follows

- a. Image intensifier tubes and specially designed components therefor, as follows:
 - a.1. Image intensifier tubes having all the following:

- a.1.a. A peak response in wavelength range exceeding 400 nm, but not exceeding 1,050 nm;
- a.1.b. A microchannel plate for electron image amplification with a hole pitch (centre-to-centre spacing) of less than 25 µm; *and*
- a.1.c. Having any of the following:
 - a.1.c.1. An S-20, S-25 or multialkali photocathode; *or*
 - a.1.c.2. A GaAs or GaInAs photocathode;
- a.2. Specially designed microchannel plates having both of the following:
 - a.2.a. 15,000 or more hollow tubes per plate; *and*
 - a.2.b. Hole pitch (centre-to-centre spacing) of less than 25 µm.
- b. Direct view imaging equipment operating in the visible or infrared spectrum, incorporating image intensifier tubes having the characteristics listed in 6A992.a.1.

6A993 Cameras as follows:

- a. Cameras that meet the criteria of Note 3 to entry 6A003.b.4. of Annex I of the Dual-Use Regulation.

6A994 Optics as follows:

- a. Optical filters:
 - a.1. For wavelengths longer than 250 nm, comprised of multi-layer optical coatings and having either of the following:
 - a.1.a. Bandwidths equal to or less than 1 nm Full Width Half Intensity (FWHI) and peak transmission of 90% or more; *or*
 - a.1.b. Bandwidths equal to or less than 0.1 nm FWHI and peak transmission of 50% or more;
 - a.2. For wavelengths longer than 250 nm, and having all of the following:
 - a.2.a. Tunable over a spectral range of 500 nm or more;
 - a.2.b. Instantaneous optical bandpass of 1.25 nm or less;
 - a.2.c. Wavelength resettable within 0.1 ms to an accuracy of 1 nm or better within the tunable spectral range; *and*
 - a.2.d. A single peak transmission of 91% or more;
 - a.3. Optical opacity switches (filters) with a field of view of 30 degrees or wider and a response time equal to or less than 1 ns;
- b. "Fluoride fibre" cable, or optical fibres therefor, having an attenuation of less than 4 dB/km in the wavelength range exceeding 1,000 nm but not exceeding 3,000 nm.

Note: 6A994 does not control optical filters with fixed air gaps or Lyot-type filters.

6A995 "Lasers" as follows:

- a. Carbon dioxide (CO₂) "lasers" having any of the following:
 - a.1. A CW output power exceeding 10 kW;
 - a.2. A pulsed output with a "pulse duration" exceeding 10 µs; *and*
 - a.2.a. An average output power exceeding 10 kW; *or*
 - a.2.b. A pulsed "peak power" exceeding 100 kW; *or*
 - a.3. A pulsed output with a "pulse duration" equal to or less than 10 µs; *and*
 - a.3.a. A pulse energy exceeding 5 J per pulse and "peak power" exceeding 2.5 kW; *or*
 - a.3.b. An average output power exceeding 2.5 kW;
- b. Semiconductor lasers, as follows

- b.1. Individual, single-transverse mode semiconductor "lasers" having:
 - b.1.a. An average output power exceeding 100 mW; *or*
 - b.1.b. A wavelength exceeding 1,050 nm;
- b.2. Individual, multiple-transverse mode semiconductor "lasers", or arrays of individual semiconductor "lasers", having a wavelength exceeding 1,050 nm;
- c. Ruby "lasers" having an output energy exceeding 20 J per pulse;
- d. Non-"tunable" "pulsed lasers" having an output wavelength exceeding 975 nm but not exceeding 1,150 nm and having any of the following:
 - d.1. A "pulse duration" equal to or exceeding 1 ns but not exceeding 1 μ s, and having any of the following:
 - d.1.a. A single transverse mode output and having any of the following:
 - d.1.a.1. A 'wall-plug efficiency' exceeding 12% and an "average output power" exceeding 10 W and capable of operating at a pulse repetition frequency greater than 1 kHz; *or*
 - d.1.a.2. An "average output power" exceeding 20 W; *or*
 - d.1.b. A multiple transverse mode output and having any of the following:
 - d.1.b.1. A 'wall-plug efficiency' exceeding 18% and an "average output power" exceeding 30W;
 - d.1.b.2. A "peak power" exceeding 200 MW; *or*
 - d.1.b.3. An "average output power" exceeding 50 W; *or*
 - d.2. A "pulse duration" exceeding 1 μ s and having any of the following:
 - d.2.a. A single transverse mode output and having any of the following:
 - d.2.a.1. A 'wall-plug efficiency' exceeding 12% and an "average output power" exceeding 10 W and capable of operating at a pulse repetition frequency greater than 1 kHz; *or*
 - d.2.a.2. An "average output power" exceeding 20 W; *or*
 - d.2.b. A multiple transverse mode output and having any of the following:
 - d.2.b.1. A 'wall-plug efficiency' exceeding 18% and an "average output power" exceeding 30 W; *or*
 - d.2.b.2. An "average output power" exceeding 500 W;
- e. Non-"tunable" continuous wave "(CW) lasers", having an output wavelength exceeding 975 nm but not exceeding 1,150nm and having any of the following:
 - e.1. A single transverse mode output and having any of the following:
 - e.1.a. A 'wall-plug efficiency' exceeding 12% and an "average output power" exceeding 10 W and capable of operating at a pulse repetition frequency greater than 1 kHz; *or*
 - e.1.b. An "average output power" exceeding 50 W; *or*
 - e.2. A multiple transverse mode output and having any of the following:
 - e.2.a. A 'wall-plug efficiency' exceeding 18% and an "average output power" exceeding 30 W; *or*
 - e.2.b. An "average output power" exceeding 500 W;

Note: 6A995.e.2.b does not control multiple transverse mode, industrial "lasers" with output power less than or equal to 2kW with a total mass greater than 1,200kg. For the purpose of this note, total mass includes all components required to operate the "laser," e.g.,

"laser," power supply, heat exchanger, but excludes external optics for beam conditioning and/or delivery.

- f. Non-"tunable" "lasers", having a wavelength exceeding 1,400 nm, but not exceeding 1555nm *and* having any of the following:
 - f.1. An output energy exceeding 100 mJ per pulse and a pulsed "peak power" exceeding 1 W; or
 - f.2. An average or CW output power exceeding 1 W;
- g. Free electron "lasers".

6A996 "Magnetometers", "Superconductive" electromagnetic sensors, and specially designed components therefor, as follows

- a. "Magnetometers", having a 'sensitivity' lower (better) than 1.0 nT (rms) per square root Hz.

Technical Note: *For the purposes of 6A996, 'sensitivity' (noise level) is the root mean square of the device-limited noise floor which is the lowest signal that can be measured.*

- b. "Superconductive" electromagnetic sensors and components manufactured from "superconductive" materials, having all of the following:
 - b.1. Designed for operation at temperatures below the "critical temperature" of at least one of their "superconductive" constituents (including Josephson effect devices or "superconductive" quantum interference devices (SQUIDS));
 - b.2. Designed for sensing electromagnetic field variations at frequencies of 1 KHz or less; *and*
 - b.3. Having any of the following:
 - b.3.a. Incorporating thin-film SQUIDS with a minimum feature size of less than 2 μm and with associated input and output coupling circuits;
 - b.3.b. Designed to operate with a magnetic field slew rate exceeding 1×10^6 magnetic flux quanta per second;
 - b.3.c. Designed to function without magnetic shielding in the earth's ambient magnetic field; *or*
 - b.3.d. Having a temperature coefficient less (smaller) than 0.1 magnetic flux quantum/K.

6A997 Gravity meters (gravimeters) for ground use as follows:

- a. Having a static accuracy of less (better) than 100 microgal; *or*
- b. Being of the quartz element (Worden) type.

6A998 Radar systems, equipment and specially designed components therefor, as follows:

- a. Airborne radar equipment and specially designed components therefor.
- b. "Space-qualified" "laser" radar or Light Detection and Ranging (LIDAR) equipment specially designed for surveying or for meteorological observation.
- c. Millimetre wave enhanced vision radar imaging systems specially designed for rotary wing aircraft and having all of the following:
 - c.1. Operates at a frequency of 94 GHz;
 - c.2. An average output power of less than 20 mW;
 - c.3. Radar beam width of 1 degree; and
 - c.4. Operating range equal to or greater than 1500 m.

6A999 Specific processing equipment, as follows:

- a. Seismic detection equipment not controlled in paragraph c.
- b. Radiation hardened TV cameras,
- c. Seismic intrusion detection systems that detect, classify and determine the bearing on the source of a detected signal.

6B995 Equipment, including tools, dies, fixtures or gauges, and other specially designed components therefor, specially designed or modified for any of the following:

- a. For the manufacture or inspection of:
 - a.1. Free electron "laser" magnet wigglers;
 - a.2. Free electron "laser" photo injectors;
- b. For the adjustment, to required tolerances, of the longitudinal magnetic field of free electron "lasers".

6C992 Optical sensing fibres that are modified structurally to have a 'beat length' of less than 500 mm (high birefringence) or optical sensor materials not described in entry 6C002.b. of Annex I of the Dual-Use Regulation and having a zinc content of equal to or more than 6% by 'mole fraction.'

Note: 'Mole fraction' is defined as the ratio of moles of ZnTe to the sum of the moles of CdTe and ZnTe present in the crystal. 2) 'Beat length' is the distance over which two orthogonally polarised signals, initially in phase, must pass in order to achieve a 2 Pi radian(s) phase difference.

6C994 Optical materials.

- a. Low optical absorption materials, as follows:
 - a.1. Bulk fluoride compounds containing ingredients with a purity of 99.999% or better; *or*

Note: 6C994.a.1 controls fluorides of zirconium or aluminium and variants.

- a.2. Bulk fluoride glass made from compounds controlled by entry 6C004.e.1 of Annex I of the Dual-Use Regulation;
- b. 'Optical fibre preforms' made from bulk fluoride compounds containing ingredients with a purity of 99.999% or better, specially designed for the manufacture of "fluoride fibres" controlled by 6A994.b.

6D991 "Software," specially designed for the "development", "production", or "use" of items controlled by entries 6A002 and 6A003 of Annex I of the Dual-Use Regulation, 6A991, 6A996, 6A997, or 6A998.

6D992 "Software" specially designed for the "development" or "production" of equipment controlled by 6A992, 6A994, or 6A995.

6D993 Other "software".

- a. Air Traffic Control (ATC) "software" application "programs" hosted on general purpose computers located at Air Traffic Control centres, and capable of automatically handing over primary radar target data (if not correlated with secondary surveillance radar (SSR) data) from the host ATC centre to another ATC centre.
- b. "Software" specially designed for seismic intrusion detection systems in 6A999.c.
- c. "Source Code" specially designed for seismic intrusion detection systems in 6A999.c.

6E991 "Technology" for the "development", "production" or "use" of equipment controlled by 6A991, 6A996, 6A997, 6A998 or 6A99.c.

6E992 "Technology" for the "development" or "production" of equipment, materials or "software" controlled by 6A992, 6A994, or 6A995, 6B995, 6C992, 6C994, or 6D993.

6E993 Other "technology" as follows.

- a. Optical fabrication technologies for serially producing optical components at a rate exceeding 10 m² of surface area per year on any single spindle and having all of the following:
 - a.1. Area exceeding 1 m², and
 - a.2. Surface figure exceeding $\lambda/10$ (rms) at the designed wavelength;
- b. "Technology" for optical filters with a bandwidth equal to or less than 10 nm, a field of view (FOV) exceeding 40° and a resolution exceeding 0.75 line pairs per milliradian;
- c. "Technology" for the "development" or "production" of cameras controlled by 6A993;
- d. "Technology" "required" for the "development" or "production" of non-triaxial fluxgate "magnetometers" or non-triaxial fluxgate "magnetometer" systems, having any of the following:
 - d.1. 'Sensitivity' lower (better) than 0.05 nT (rms) per square root Hz at frequencies of less than 1 Hz; or
 - d.2. 'Sensitivity' lower (better) than 1×10^{-3} nT (rms) per square root Hz at frequencies of 1 Hz or more;
- e. "Technology" "required" for the "development" or "production" of infrared up-conversion devices having all of the following:
 - e.1. A response in the wavelength range exceeding 700 nm but not exceeding 1500 nm; and
 - e.2. A combination of an infrared photodetector, light emitting diode (LED), and nanocrystal to convert infrared light into visible light.

Technical Note: For the purposes of entry 6E993, 'sensitivity' (or noise level) is the root meansquare of the device-limited noise floor which is the lowest signal that can be measured.

PART 6 Navigation and avionics

7A994 Navigation direction finding equipment, airborne communication equipment, all aircraft inertial navigation systems, and other avionic equipment, including components,

7B994 Other equipment for the test, inspection, or "production" of navigation and avionic equipment.

7D994 "Software" for the "development", "production", or "use" of navigation, airborne communication and other avionics.

7E994 "Technology" for the "development," "production" or "use" of navigation, airborne communication, and other avionics equipment.

PART 7

Marine

8A992 Vessels, marine systems or equipment, and specially designed components therefor, and marine boilers and components therefor.

- a. Underwater vision systems, as follows:
 - a.1. Television systems (comprising camera, lights, monitoring and signal transmission equipment) having a limiting resolution when measured in air of more than 500 lines and specially designed or modified for remote operation with a submersible vehicle; *or*
 - a.2. Underwater television cameras having a limiting resolution when measured in air of more than 700 lines;

Technical Note: Limiting resolution in television is a measure of horizontal resolution usually expressed in terms of the maximum number of lines per picture height discriminated on a test chart, using IEEE Standard 208/1960 or any equivalent standard.

- b. Photographic still cameras specially designed or modified for underwater use, having a film format of 35 mm or larger, and having autofocusing or remote focusing specially designed for underwater use;
- c. Stroboscopic light systems, specially designed or modified for underwater use, capable of a light output energy of more than 300 J per flash;
- d. Other underwater camera equipment;
- e. Other submersible systems;
- f. Vessels, including inflatable boats, and specially designed components therefor, ;
- g. Marine engines (both inboard and outboard), and specially designed components therefor, ;
- h. Other self-contained underwater breathing apparatus (scuba gear) and related equipment, ;
- i. Life jackets, inflation cartridges, compasses, wetsuits, masks, fins, weight belts, and dive computers;
- j. Underwater lights and propulsion equipment;
- k. Air compressors and filtration systems, specially designed for filling air cylinders.
- l. Marine boilers designed to have any of the following:
 - l.1. Heat release rate (at maximum rating) equal to or in excess of 190,000 BTU per hour per cubic foot of furnace volume; *or*
 - l.2. Ratio of steam generated in kg per hour (at maximum rating) to the dry weight of the boiler in kg equal to or in excess of 0.83.
- m. Components for marine boilers described in 8A992.l.

8D992 "Software" specially designed or modified for the "development", "production" or "use" of equipment controlled by 8A992.

8D999 "Software" specially designed for the operation of unmanned submersible vehicles.

8E992 "Technology" for the "development", "production" or "use" of equipment controlled by 8A992.

PART 8
Aerospace and Propulsion

9A990 Diesel engines and tractor units, and specially designed components therefor.

- a. Diesel engines for trucks, tractor units, and automotive applications of continuous poweroutput of 400 BHP (298 kW) or greater (performance based on Society of Automotive Engineers J1349 standard conditions of 100 kPa and 25°C);
- b. Off-road semi-trailer wheeled tractor units of carriage capacity 9 t or more and speciallydesigned components therefor;
- c. On-road semi-trailer tractor units, with single or tandem rear axles rated for 9 t per axel orgreater and specially designed components therefor.

9A991 "Aircraft" and gas turbine engines and components

- a. Not used;
- b. "Aircraft";
- c. Aero gas turbine engines and specially designed components therefor;
- d. Components specially designed for "aircraft";
- e. Pressurised aircraft breathing equipment and specially designed components therefor.

9A992 Parachutes, harnesses, platforms and electronic release mechanisms, speciallydesigned for air cargo delivery systems.

9B990 Vibration test equipment and specially designed components therefor.

9B991 "Equipment," tooling or fixtures specially designed for manufacturing or measuringgas turbine blades, vanes or tip shroud castings, as follows:

- a. Automated equipment using non-mechanical methods for measuring aerofoil wallthickness;
- b. Tooling, fixtures or measuring equipment for the "laser", water jet or ECM/EDM holedrilling processes controlled by entry 9E003.c of Annex I of the Dual-Use Regulation;
- c. Ceramic core leaching equipment;
- d. Ceramic core manufacturing equipment or tools;
- e. Ceramic shell wax pattern preparation equipment;
- f. Ceramic shell burn out or firing equipment.

9D990 "Software", for the "development" or "production" of equipment controlled by9A990 or 9B990.

9D991 "Software", for the "development" or "production" of equipment controlled by9A991 or 9B991.

9E990 "Technology", for the "development" or "production" or "use" of equipmentcontrolled by 9A990 or 9B990.

9E991 "Technology", for the "development", "production" or "use" of equipment controlledby 9A991 or 9B991.

9E993 Other "technology", not described by entry 9E003 of Annex I of the Dual-UseRegulation, as follows:

- a. Rotor blade tip clearance control systems employing active

- compensating casing "technology" limited to a design and development data base;
- b. Gas bearing for turbine engine rotor assemblies.

SCHEDULE 2B

Regulation 60B

Consumer communication devices

1. In regulation 60B, "consumer communication device" means any of the following, of a type which is generally available to the public—
- (a) computers falling within entries 5A992 and 4A994.b of Schedule 2A ;
 - (b) disk drives and solid-state storage equipment falling within entry 5A992 of Schedule 2A;
 - (c) input/output control units (other than industrial controllers designed for chemical processing);
 - (d) graphics accelerators and graphics coprocessors;
 - (e) monitors falling within entry 5A992 of Schedule 2A;
 - (f) printers falling within entry 5A992 of Schedule 2A;
 - (g) modems falling within entries 5A991.b.2, 5A991.b.4 or 5A992 of Schedule 2A;
 - (h) network access controllers and communications channel controllers falling within entry 5A991.b.4 of Schedule 2A;
 - (i) keyboards, mice and similar devices specified in entry 5A992 of Schedule 2A;
 - (j) mobile phones, including cellular and satellite telephones, personal digital assistants, and subscriber information module (SIM) cards and similar devices falling within entries 5A992 or 5A991 of Schedule 2A;
 - (k) memory devices falling within entry 5A992 of Schedule 2A;
 - (l) information security equipment, software (except encryption source code) and peripherals falling within entries 5A992 or 5D992 of Schedule 2A;
 - (m) digital cameras and memory cards falling within entry 6A993 or 5A992 of Schedule 2A;
 - (n) television and radio receivers falling within entry 5A992 of Schedule 2A;
 - (o) recording devices falling within entry 5A992 of Schedule 2A;
 - (p) batteries, chargers, carrying cases and accessories for the goods falling within paragraphs (a) to (o) above;
 - (q) software (except encryption source code) falling within entries 4D994, 5D991 and 5D992 of Schedule 2A, which is for use with equipment described in paragraphs (a) to (p) above.
2. For the purposes of paragraph 1, goods and technology are generally available to the public if they are —
- (a) sold from stock at retail selling points without restriction, by means of—
 - (i) over the counter transactions,
 - (ii) mail order transactions,
 - (iii) electronic transactions, or
 - (iv) telephone order transactions, and
 - (b) designed for installation by the user without further substantial

support by the supplier.”

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”). These Regulations provide for new trade sanctions measures in relation to Russia.

Prohibitions on the export, supply and delivery and making available of military goods are extended to include dual-use goods and critical-industry goods. Prohibitions on the making available and transfer of military technology are extended to include dual-use technology and critical-industry technology. Related prohibitions on the provision of technical assistance, financial services, funds and brokering services are also extended in relation to dual-use goods and technology and critical-industry goods and technology.

These new prohibitions replace prohibitions relating to dual-use goods and dual-use technology for named persons, and for military use. Transitional provision is made in relation to licences issued to authorise trade within the scope of the replaced prohibitions.

A number of exceptions from the trade prohibitions on critical-industry goods and technology are provided for, in relation to personal items and diplomatic missions, consular posts and international organisations, the movement of aircraft and vessels, consumer communication devices and software updates, and emergencies.

A full impact assessment of the effect that this instrument will have on the costs of business, the voluntary sector and the public sector has been published alongside these Regulations and is available from legislation.gov.uk or from the Foreign, Commonwealth and Development Office, King Charles Street, London SW1A 2AH.