

*Draft Regulations laid before Parliament under paragraph 1(1) of Schedule 7 to the European Union (Withdrawal) Act 2018, for approval by resolution of each House of Parliament.*

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DRAFT STATUTORY INSTRUMENTS

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**2019 NoXXXX**

**EXITING THE EUROPEAN UNION  
PROTECTION OF TRADING INTERESTS**

The Protecting against the Effects of the  
Extraterritorial Application of Third Country  
Legislation (Amendment) (EU Exit) Regulations 2019

*Made* - - - -

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*Coming into force in accordance with regulation 1*

The Secretary of State, in exercise of the powers conferred by section 8(1) of, and paragraph 21(b) of Schedule 7 to, the European Union (Withdrawal) Act 2018(1), makes the following Regulations. In accordance with paragraph 1(1) of Schedule 7 to that Act, a draft of this instrument has been laid before Parliament and approved by a resolution of each House of Parliament.

**PART 1**

**Introductory**

**Citation and commencement**

**1.** These Regulations may be cited as the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2019 and come into force on the day after the day on which they are made.

## PART 2

### Amendment of subordinate legislation

#### **Amendment of the Extraterritorial US Legislation (Sanctions against Cuba, Iran and Libya) (Protection of Trading Interests) Order 1996**

2.—(1) The Extraterritorial US Legislation (Sanctions against Cuba, Iran and Libya) (Protection of Trading Interests) Order 1996(2) is amended as follows.

(2) In article 1(2)(a) insert, at the end, “and the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2019(3).”

(3) In article 2—

(a) in paragraph (1)—

(i) omit “Subject to paragraph (2) below,”;

(ii) omit “(that is to say”;

(iii) omit sub-paragraphs (i) to (v);

(b) omit paragraph (2).

## PART 3

### Amendment of retained direct EU legislation

#### **Amendment of Council Regulation (EC) No 2271/96**

3.—(1) Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom, is amended as follows.

(2) In Article 1—

(a) in the first paragraph—

(i) for “Community”, substitute “United Kingdom”;

(ii) for “third”, substitute “other”;

(b) in the second paragraph—

(i) for the words from “Commission” to “Regulation”, substitute “Secretary of State may by regulations made by statutory instrument amend the Annex to this Regulation to add”;

(ii) for “third”, substitute “other”;

(iii) omit “on the interests of the Union and the interests of natural and legal persons exercising rights under the Treaty on the Functioning of the European Union”.

(3) In Article 2—

(a) in the first and second paragraphs for “Commission”, in each place that it occurs, substitute “Secretary of State”;

(b) omit the third paragraph.

(4) In Article 3, for “Commission”, in each place that it occurs, substitute “Secretary of State”.

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(2) S.I. 1996/3171, amended by S.I. 2018/1357; there is another amending instrument but it is not relevant.

(3) S.I. 2019/xxxx.

(5) In Article 4, for “Community”, substitute “United Kingdom”.

(6) In Article 5, for the second paragraph, substitute—

“The Secretary of State may by regulations made by statutory instrument—

(a) authorise persons to comply fully or partially with any requirement or prohibition referred to in the first paragraph of this Article to the extent that non-compliance would seriously damage their interests or those of the United Kingdom;

(b) make provision in connection with the making and consideration of applications to be so authorised.”.

(7) In Article 6—

(a) omit the third paragraph;

(b) in the fourth paragraph, for “Community”, in both places that it occurs, substitute “United Kingdom”.

(8) In Article 7—

(a) for “Commission”, substitute “Secretary of State”;

(b) for point (a), substitute—

(c) “(a) as regards the effects of the laws, regulations and other legislative instruments and ensuing actions mentioned in Article 1, and on the basis of the information obtained under this Regulation, make regularly a full public report thereon.”;

(d) omit points (b) to (e).

(9) Omit Article 8.

(10) Omit Article 9.

(11) Omit Article 10.

(12) In Article 11—

(a) in point 1—

(i) for “being a resident in the Community”, substitute “who is resident in the United Kingdom”;

(ii) for “a Member State”, substitute “the United Kingdom”;

(b) in point 2, for “within the Community”, substitute “in any part of the United Kingdom”;

(c) for point 3, substitute—

(d) “3. a national of the United Kingdom providing maritime transport services, or any legal person (wherever incorporated) providing such services and controlled by a national of the United Kingdom, where the vessel is registered in the United Kingdom,”

(e) in point 4, for “being a resident in the Community”, substitute “resident in the United Kingdom”;

(f) in point 5—

(i) for “within the Community”, substitute “in the United Kingdom”;

(ii) for “a Member State”, substitute “the United Kingdom”.

(g) After point 5, insert—

“For the purposes of this Article, a natural person is resident in the United Kingdom where that person has been so resident for a period of at least six months within the 12-month period immediately prior to the date on which, under this Regulation, an obligation arises or a right is exercised.

For the purposes of this Article, “a national of the United Kingdom” means—