STATUTORY INSTRUMENTS

2006 No. 2952

UNITED NATIONS

The Al-Qaida and Taliban (United Nations Measures) Order 2006

Made - - - -	*14th November 2006*
Laid before Parliament	*15th November 2006*
Coming into force - -	*16th November 2006*

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SCHEDULE 1 — Evidence and Information
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At the Court at Buckingham Palace, the 14th day of November 2006

Present,

The Queen's Most Excellent Majesty in Council

The Security Council of the United Nations has adopted the following resolutions under Article 41 of the Charter of the United Nations: resolutions 1267(1999) adopted on 15th October 1999, 1333(2000) adopted on 19th December 2000, 1363(2001) adopted on 30th July 2001, 1390(2002) adopted on 16th January 2002, 1452(2002) adopted on 20th December 2002, 1455(2003) adopted on 17th January 2003, 1526(2004) adopted on 30th January 2004 and 1617(2005) adopted on 29th July 2005.

By those resolutions, the Security Council has called upon Her Majesty's Government in the United Kingdom and all other States to apply certain measures to give effect to decisions of that Council in relation to Al-Qaida, Usama bin Laden and the Taliban.

Accordingly, Her Majesty, in exercise of the powers conferred on Her by section 1 of the United Nations Act 1946(**a**), is pleased, by and with the advice of Her Privy Council, to order as follows:

PART 1

Preliminary and general

Citation, commencement, extent and application

1.—(1) This Order may be cited as the Al-Qaida and Taliban (United Nations Measures) Order 2006 and comes into force on 16th November 2006.

(2) This Order extends to the United Kingdom.

(3) An offence may be committed under article 6, 7, 8, 10 or 11 by any person in the United Kingdom or by any person elsewhere who is—

(a) a British citizen, a British overseas territories citizen, a British Overseas citizen, a British subject, a British National (Overseas) or a British protected person; or

(b) a body incorporated or constituted under the law of any part of the United Kingdom.

(**a**) 1946 c.45.

Interpretation

2.—(1) In this Order—

"the 2000 Act" means the Financial Services and Markets Act 2000(**a**);

"the 2002 Order" means the Al-Qa'ida and Taliban (United Nations Measures) Order 2002(**b**);

"body corporate" includes a Scottish partnership;

"designated person" has the meaning given by article 3;

"document" includes information recorded in any form and, in relation to information recorded otherwise than in legible form, references to its production include references to producing a copy of the information in legible form;

"economic resources" means assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but can be used to obtain funds, goods or services;

"funds" means financial assets and benefits of every kind, including (but not limited to)—

(a) cash, cheques, claims on money, drafts, money orders and other payment instruments;

(b) deposits with relevant institutions or other persons, balances on accounts, debts and debt obligations;

(c) publicly and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivative products;

(d) interest, dividends or other income on or value accruing from or generated by assets;

(e) credit, rights of set-off, guarantees, performance bonds or other financial commitments;

(f) letters of credit, bills of lading, bills of sale;

(g) documents providing evidence of an interest in funds or financial resources;

(h) any other instrument of export financing;

"officer", in relation to a body corporate, means—

(a) in relation to a Scottish partnership, a partner, and

(b) in relation to any other body corporate, a director, manager, secretary or other similar officer of the body corporate or any person who has purported to act in any such capacity;

"relevant institution" means—

(a) a person who has permission under Part 4 of the 2000 Act; and

(b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to the 2000 Act(**c**) which has permission under paragraph 15 of that Schedule as a result of qualifying for authorisation under paragraph 12 of that Schedule to accept deposits;

"Sanctions Committee" means the committee of the Security Council of the United Nations established under Security Council Resolution 1267(1999) adopted on 15th October 1999;

"Security Council Resolutions" means the following resolutions of the Security Council of the United Nations: resolutions 1267(1999) adopted on 15th October 1999, 1333(2000) adopted on 19th December 2000, 1363(2001) adopted on 30th July 2001, 1390(2002) adopted on 16th January 2002, 1452(2002) adopted on 20th December 2002, 1455(2003) adopted on 17th January 2003, 1526(2004) adopted on 30th January 2004 and 1617(2005) adopted on 29th July 2005.

(2) The definition of "relevant institution" in paragraph (1) must be read with—

(a) section 22 of the 2000 Act;

(b) any relevant order under that section; and

(**a**) 2000 c.8.
(**b**) S.I. 2002/111 as amended by S.I. 2002/251.
(**c**) As amended by S.I. 2000/2952 and S.I. 2003/1473.

(c) Schedule 2 to that Act.

PART 2

Designated persons and directions

Designated persons

3.—(1) For the purposes of this Order—

(a) Usama bin Laden,

(b) any person designated by the Sanctions Committee, and

(c) any person identified in a direction,

is a designated person.

(2) In this Part "direction" (other than in articles 4(2)(d) and 5(3)(c)) means a direction given by the Treasury under article 4(1).

Treasury's power to designate persons

4.—(1) Where any condition in paragraph (2) is satisfied, the Treasury may give a direction that a person identified in the direction is designated for the purposes of this Order.

(2) The conditions are that the Treasury have reasonable grounds for suspecting that the person is or may be—

(a) Usama bin Laden;

(b) a person designated by the Sanctions Committee;

(c) a person owned or controlled, directly or indirectly, by a designated person; or

(d) a person acting on behalf of or at the direction of a designated person.

(3) The Treasury may specify in the direction that the prohibition in article 8(1) does not apply in respect of the person identified in the direction.

(4) The Treasury may vary or revoke a direction at any time.

Directions: further provisions

5.—(1) Where the Treasury give a direction they must—

(a) take such steps as they consider appropriate—

(i) to publicise generally the direction, or

(ii) to inform only certain persons of the direction;

(b) give written notice to the person identified in the direction; and

(c) if they vary or revoke the direction, take steps to bring the variation or revocation to the attention of the persons informed or notified under sub-paragraph (a) or (b).

(2) Where the Treasury inform only certain persons of the direction, only those persons and the person identified in the direction are subject to the prohibitions referred to in paragraph (3).

(3) The prohibitions mentioned in paragraph (2) are those in articles 7(1) and, as the case may be, 8(1) insofar as they relate to—

(a) the person identified in the direction,

(b) any person owned or controlled, directly or indirectly, by him, or

(c) any person acting on his behalf or at his direction.

(4) The High Court or, in Scotland, the Court of Session may set aside a direction on the application of—

(a) the person identified in the direction, or

(b) any other person affected by the direction.

(5) A person who makes an application under paragraph 4 must give a copy of the application and any witness statement or affidavit in support to the Treasury not later than seven days before the date fixed for the hearing of the application.

Confidential information

6.—(1) Where the Treasury propose (in accordance with article 5(1)(a)(ii)) to inform only certain persons of a direction, they may specify in the direction that information contained in it is to be treated as confidential.

(2) A person who obtains information which is to be treated as confidential in accordance with paragraph (1), or to whom such information is provided, must not disclose it except with lawful authority.

(3) Confidential information is disclosed with lawful authority only if and to the extent that any of the following applies—

(a) the disclosure is by the Treasury;

(b) the disclosure is with the consent of the person who is the subject of the information;

(c) the disclosure is to (and is necessary to) give effect to a requirement under this Order;

(d) the disclosure is required, under rules of court or a court order, for the purposes of legal proceedings of any description.

(4) This article does not prevent the disclosure of information which is already, or has previously been, available to the public from other sources.

(5) A person who contravenes the prohibition in paragraph (2) is guilty of an offence.

(6) In proceedings for an offence under this article, it is a defence for a person to show that he did not know and had no reasonable cause to suspect that he was disclosing confidential information.

(7) The High Court or, in Scotland, the Court of Session may grant an injunction to prevent a breach of paragraph (2) in relation to any information upon the application of—

(a) the person who is the subject of the information, or

(b) the Treasury.

PART 3

Prohibitions and licences

Freezing funds and economic resources of designated persons

7.—(1) A person (including the designated person) must not deal with funds or economic resources belonging to, owned or held by a person referred to in paragraph (2) unless he does so under the authority of a licence granted under article 11.

(2) The prohibition in paragraph (1) applies in respect of—

(a) any designated person;

(b) any person owned or controlled, directly or indirectly, by a designated person; and

(c) any person acting on behalf or at the direction of a designated person.

(3) A person who contravenes the prohibition in paragraph (1) is guilty of an offence.

(4) In proceedings for an offence under this article, it is a defence for a person to show that he did not know and had no reasonable cause to suspect that he was dealing with funds or economic resources belonging to, owned or held by a person referred to in paragraph (2).

(5) This article is subject to article 5(2).

(6) In this article, "deal with" means—

(a) in respect of funds—

(i) use, alter, move, allow access to or transfer;

(ii) deal with in any other way that would result in any change in volume, amount, location, ownership, possession, character or destination; or

(iii) make any other change that would enable use, including portfolio management; and

(b) in respect of economic resources, use to obtain funds, goods or services in any way, including (but not limited to) by selling, hiring or mortgaging the resources.

Making funds or economic resources available to designated persons etc.

8.—(1) A person must not make funds or economic resources available, directly or indirectly, to or for the benefit of a person referred to in article 7(2) unless he does so under the authority of a licence granted under article 11.

(2) A person who contravenes the prohibition in paragraph (1) is guilty of an offence.

(3) In proceedings for an offence under this article, it is a defence for a person to show that he did not know and had no reasonable cause to suspect that he was making funds or economic resources available, directly or indirectly, to or for the benefit of a person referred to in article 7(2).

(4) This article is subject to articles 4(3) and 5(2).

Exceptions

9.—(1) A person is not guilty of an offence under article 7 or 8 if he credits a frozen account with—

(a) interest or other earnings due on the account; or

(b) where the account holder is a designated person, payments due under contracts, agreements or obligations that were concluded or arose prior to the date that an account holder became a designated person.

(2) For the avoidance of doubt, article 7 applies to any funds credited to a frozen account in accordance with this article.

(3) In this article "frozen account" means an account of a person referred to in article 7(2).

Circumventing prohibitions etc.

10. A person is guilty of an offence if he participates, knowingly and intentionally, in activities the object or effect of which is, directly or indirectly, to—

(a) circumvent a prohibition in article 7(1) or 8(1), or

(b) enable or facilitate the commission of an offence under article 7 or 8.

Licences

11.—(1) The Treasury may grant a licence to exempt acts specified in the licence from the prohibition in article 7(1) or 8(1).

(2) A licence may be—

(a) general or granted to a category of persons or to a particular person;

(b) subject to conditions;

(c) of indefinite duration or subject to an expiry date.

(3) The Treasury may vary or revoke a licence at any time.

(4) The Treasury, where they grant, vary or revoke a licence, must—

(a) in the case of a licence granted to a particular person, give written notice of the licence, variation or revocation to that person, and

(b) in the case of a general licence or a licence granted to a category of persons, take such steps as the Treasury consider appropriate to publicise the licence, variation or revocation.

(5) Any person who, for the purpose of obtaining a licence, knowingly or recklessly makes any statement or furnishes any document or information which is false in a material particular is guilty of an offence.

(6) Any person who has done any act under the authority of a licence and who fails to comply with any conditions attaching to that licence is guilty of an offence.

PART 4

Miscellaneous

Evidence and information

12. Schedule 1 (which contains further provisions about evidence and information) has effect.

Penalties

13.—(1) A person guilty of an offence under article 7, 8, or 10 is liable—

(a) on conviction on indictment, to imprisonment for a term not exceeding seven years or to a fine or to both;

(b) on summary conviction—

(i) in England and Wales, to imprisonment for a term not exceeding 12 months or to a fine not exceeding the statutory maximum or to both;

(ii) in Scotland or Northern Ireland, to imprisonment for a term not exceeding six months or to a fine not exceeding the statutory maximum or to both.

(2) A person guilty of an offence under article 6 or 11 or paragraph 4(b) or (d) of Schedule 1 is liable—

(a) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both;

(b) on summary conviction—

(i) in England and Wales, to imprisonment for a term not exceeding 12 months or to a fine not exceeding the statutory maximum or to both;

(ii) in Scotland or Northern Ireland, to imprisonment for a term not exceeding six months or to a fine not exceeding the statutory maximum or to both.

(3) A person guilty of an offence under paragraph 2(3) or 4(a) or (c) of Schedule 1 is liable on summary conviction—

(a) in England and Wales, to imprisonment for a period not exceeding 51 weeks or to a fine not exceeding level 5 on the standard scale or to both;

(b) in Scotland or Northern Ireland, to imprisonment for a term not exceeding six months or to a fine not exceeding level 5 on the standard scale or to both.

(4) If an offence under this Order committed by a body corporate is shown—

(a) to have been committed with the consent or connivance of an officer of the body corporate, or

(b) to be attributable to any neglect on his part,

the officer as well as the body corporate is guilty of the offence and is liable to be proceeded against and punished accordingly.

Proceedings

14.—(1) Proceedings against any person for an offence may be taken before the appropriate court in the United Kingdom having jurisdiction in the place where that person is for the time being.

(2) In England and Wales, summary proceedings for an offence may be tried by a magistrates' court if any information is laid—

(a) before the end of 12 months from the date on which evidence sufficient in the opinion of the prosecutor to justify the proceedings came to his knowledge, but

(b) not later than three years from the commission of the offence.

(3) In Scotland—

(a) summary proceedings for an offence may be commenced—

(i) before the end of 12 months from the date on which evidence sufficient in the Lord Advocate's opinion to justify the proceedings came to his knowledge, but

(ii) not later than three years from the commission of the offence; and

(b) section 136(3) of the Criminal Procedure (Scotland) Act 1995(**a**) (time limit for certain offences) applies for the purpose of this paragraph as it applies for the purpose of that section.

(4) In Northern Ireland, summary proceedings for an offence may be instituted—

(a) before the end of 12 months from the date on which evidence sufficient in the opinion of the prosecutor to justify the proceedings came to his knowledge, but

(b) not later than three years from the commission of the offence.

(5) For the purposes of this article—

(a) a certificate signed by or on behalf of the prosecutor or the Lord Advocate as to the date on which such evidence as is referred to in paragraphs (2) to (4) came to his knowledge is conclusive evidence of that fact, and

(b) a certificate purporting to be so signed is presumed to be so signed unless the contrary is proved.

(6) In Scotland, where a constable reasonably believes that a person has committed or is committing an offence, he may arrest that person without a warrant.

(7) In Northern Ireland, article 26 of the Police and Criminal Evidence (Northern Ireland) Order 1989(**b**) (arrest without warrant for arrestable offences) applies to an offence which is not an arrestable offence by virtue of the term of imprisonment for which a person may be sentenced in respect of it, as if it were mentioned in paragraph (2) of that article.

(8) No proceedings for an offence, other than for a summary offence, may be instituted in England, Wales or Northern Ireland except with the consent of the Treasury or the Attorney General or, as the case may be, the Attorney General for Northern Ireland.

(9) Whether or not such consent has been given, paragraph (8) does not prevent—

(a) the arrest of any person in respect of an offence, or

(b) the remand in custody or on bail of any person charged with an offence.

(10) In this article, "offence" means an offence under this Order.

(**a**) 1995 c.46.
(**b**) S.I. 1989/1341 (N.I. 12), to which there are amendments not relevant to this Order.

Notices

15.—(1) This article has effect in relation to any notice to be given to a person by the Treasury under article 5(1)(b) or 11(4)(a).

(2) Any such notice may be given—

(a) by posting it to his last known address; or

(b) where the person is a body corporate, by posting it to the registered or principal office of the body corporate.

(3) Where the Treasury do not have an address for the person, they must make arrangements for the notice to be given to him at the first available opportunity.

Functions of the Treasury

16.—(1) The Treasury may, to such extent and subject to such restrictions and conditions as they may think proper, delegate or authorise the delegation of any of their functions under this Order to any person or description of persons.

(2) References in this Order to the Treasury are to be construed accordingly.

Postponement etc. of the operation of the Security Council Resolutions

17.—(1) If the Security Council of the United Nations takes any decision which has the effect of postponing, suspending or cancelling the operation of the Security Council Resolutions, in whole or in part, this Order shall cease to have effect or its operation shall be postponed or suspended, in whole or in part as the case may be, in accordance with that decision.

(2) The Secretary of State must publish particulars of the decision in a notice in the London, Edinburgh and Belfast Gazettes.

The Crown

18.—(1) This Order binds the Crown, subject to the following provisions of this article.

(2) No contravention by the Crown of a provision of this Order makes the Crown criminally liable; but the High Court or in Scotland the Court of Session may, on the application of a person appearing to the Court to have an interest, declare unlawful any act or omission of the Crown which constitutes such a contravention.

(3) Nothing in this article affects Her Majesty in her private capacity; and this is to be construed as if section 38(3) of the Crown Proceedings Act 1947(**a**) (meaning of Her Majesty in her private capacity) were contained in this Order.

Transitional provisions

19.—(1) In relation to an offence under article 6, 7, 8, 10 or 11 or paragraph 4(b) or (d) of Schedule 1 committed before the commencement of section 282 of the Criminal Justice Act 2003(**b**) (increase in maximum term that may be imposed on summary conviction of offence triable either way), the references in article 13(1)(b)(i) and (2)(b)(i) to 12 months shall have effect as if they were references to six months.

(2) In relation to an offence under paragraph 2(3) or 4(a) or (c) of Schedule 1 committed before the commencement of section 281(4) and (5) of the Criminal Justice Act 2003 (alteration of penalties for certain summary offences), the reference in article 13(3)(a) to 51 weeks shall have effect as if it were a reference to six months.

(**a**) 1947 c.44.
(**b**) 2003 c.44.

Amendments, revocation and saving provision

20.—(1) Subject to paragraph (2), the instruments mentioned in Schedule 2 are amended or revoked as set out in that Schedule.

(2) Where a direction made by the Treasury under article 8 of the 2002 Order had effect immediately before the coming into force of this Order, the instruments mentioned in Schedule 2 continue to apply for the purposes of that direction as if they had not been amended by paragraph (1).

(3) Where a licence granted by the Treasury under article 7 of the 2002 Order in respect of a person designated by the Sanctions Committee had effect immediately before the coming into force of this Order, the licence shall continue to apply as if it had been granted under article 11 of this Order.

Christine Cook
Deputy Clerk of the Privy Council

SCHEDULE 1

Article 12

Evidence and Information

1. The Treasury must take such steps as they consider appropriate to cooperate with any domestic or international investigation relating to the funds, economic resources or financial transactions of—

(a) a designated person;

(b) a person owned or controlled, directly or indirectly, by a designated person; and

(c) a person acting on behalf or at the direction of a designated person.

2.—(1) A relevant institution must as soon as practicable inform the Treasury if it knows or suspects that a relevant person—

(a) is a designated person;

(b) is a person owned or controlled, directly or indirectly, by a designated person;

(c) is a person acting on behalf or at the direction of a designated person; or

(d) has committed an offence under article 6, 7, 8, 10 or 11.

(2) A relevant institution, where it informs the Treasury under sub-paragraph (1), must state—

(a) the information or other matter on which the knowledge or suspicion is based;

(b) any information it holds about the relevant person by which the person can be identified; and

(c) the nature and amount or quantity of any funds or economic resources held by the relevant institution for the relevant person since the 2002 Order came into force(**a**).

(3) A relevant institution that fails to comply with a requirement in paragraph (1) or (2) is guilty of an offence.

(4) In this paragraph, "relevant person" means—

(a) a customer of the institution;

(b) a person who has been a customer of the institution since the 2002 Order came into force; or

(c) a person with whom the institution has had dealings in the course of its business since then.

3.—(1) The Treasury may request any person in or resident in the United Kingdom to give to them any information or to produce to them any document in his possession or control which they may require for the purpose of—

(a) ensuring compliance with or detecting evasion of this Order;

(b) obtaining evidence of the commission of an offence under this Order;

(c) establishing the nature and amount or quantity of any funds or economic resources owned, held or controlled, directly or indirectly, by a designated person; or

(d) establishing the nature of any financial transactions entered into by, on behalf of or at the direction of a designated person.

(2) This includes power to—

(a) take copies of or extracts from any document so produced;

(b) request any person producing a document to give an explanation of it; and

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(**a**) The Order referred to came into force on 25th January 2002.

(c) where that person is a body corporate, request any person who is a present or past officer of, or employee of, the body corporate to give such an explanation.

(3) Any person to whom a request is made must comply with it within such time and in such manner as may be specified in the request.

(4) Nothing in this paragraph shall be taken to require any person who has acted as counsel or solicitor for any person to give or produce any privileged information or document in his possession in that capacity.

4. A person is guilty of an offence if he—

(a) without reasonable excuse refuses or fails within the time and in the manner specified (or, if no time has been specified, within a reasonable time) to comply with any request made under paragraph 3;

(b) knowingly or recklessly gives any information or produces any document which is false in a material particular in response to such a request;

(c) otherwise wilfully obstructs the Treasury in the exercise of their powers under this Schedule; or

(d) with intent to evade the provisions of this Schedule, destroys, mutilates, defaces, conceals or removes any document.

5. Where a person is convicted of an offence under paragraph 4(a), the court may make an order requiring him, within such period as may be specified in the order, to give the requested information or to produce the requested document.

6.—(1) The Treasury may only disclose any information given or document produced under this Schedule (including any copy or extract made of any such document)—

(a) to a police officer;

(b) to any person holding or acting in any office under or in the service of—

(i) the Crown in respect of the Government of the United Kingdom;

(ii) the Government of the Isle of Man;

(iii) the States of Guernsey or Alderney or the Chief Pleas of Sark;

(iv) the State of Jersey;

(v) any British overseas territory;

(c) for the purpose of giving assistance or cooperation, pursuant to the Security Council Resolutions, to—

(i) any organ of the United Nations;

(ii) any person in the service of the United Nations, the Council of the European Union, the European Commission or the government of any country;

(d) with a view to instituting, or otherwise for the purposes of, any proceedings—

(i) in the United Kingdom, for an offence under this Order; or

(ii) in any of the Channel Islands, the Isle of Man or any British overseas territory, for an offence under a similar provision in any such jurisdiction; or

(e) with the consent of a person who, in his own right, is entitled to the information or to the possession of the document, to any third party.

(2) In this paragraph, "in his own right" means not merely in the capacity as a servant or agent of another person.

7. An action done under this Schedule is not to be treated as a breach of any restriction imposed by statute or otherwise.

SCHEDULE 2

Article 20

Amendments and revocation

Amendments to the 2002 Order

1. The 2002 Order is amended in accordance with paragraphs 2 to 9.

2. In article 1(4) for "Articles 6, 7, 8 and 9" substitute "Article 6".

3. In article 2(1)—

(a) in paragraph (1) omit the following definitions—

(i) "funds";

(ii) "relevant institution"; and

(b) omit paragraph (2).

4. Omit articles 7 to 10 and 12.

5. In article 18 omit ", the Treasury".

6. In article 20—

(a) in paragraph (1) for ", 6(3), 7, 8(9) or 9" substitute "or 6(3)";

(b) in paragraph (3) omit "article 12(1) or (2) or";

(c) omit paragraph (5); and

(d) in paragraph (16) omit "or the Treasury".

7. For article 21 substitute—

"Exercise of powers of the Secretary of State

21. The Secretary of State may to such extent and subject to such restrictions and conditions as he may think proper, delegate or authorise the delegation of any of his powers under this Order to any person, or class or description of persons, approved by him, and references in this Order to the Secretary of State shall be construed accordingly.".

8. In article 22 omit "or the Treasury".

9. In Schedule 2—

(a) in paragraph 1(1) omit ", the Treasury";

(b) in paragraph 2(1) omit ", the Treasury";

(c) in paragraph 3 omit "or the Treasury";

(d) in paragraph 4(c) omit "or the Treasury".

Revocation of the Al-Qa'ida and Taliban (United Nations Measures)(Amendment) Order 2002

10. The Al-Qa'ida and Taliban (United Nations Measures)(Amendment) Order 2002(**a**) is revoked.

(**a**) S.I. 2002/251.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, made under section 1 of the United Nations Act 1946, gives effect in the United Kingdom to the following resolutions adopted by the Security Council of the United Nations: resolutions 1267(1999) adopted on 15th October 1999, 1333(2000) adopted on 19th December 2000, 1363(2001) adopted on 30th July 2001, 1390(2002) adopted on 16th January 2002, 1452(2002) adopted on 20th December 2002, 1455(2003) adopted on 17th January 2003, 1453(2004) adopted on 30th January 2004 and 1617(2005) adopted on 29th July 2005 ("the Security Council Resolutions").

It also provides for enforcement of Regulation (EC) 881/2002 of 27th May 2002 (O.J. No L 139, 29.5.2002, p.9) on specific restrictive measures directed against certain person and entities associated with Usama bin Laden, the Al-Qaida network and the Taliban as amended by Council Regulation (EC) 661/2003 of 27th March 2003 (O.J. No L 82, 29.3.2003. p.1) and by a series of Commission Regulations, the most recent of which is Commission Regulation (EC) 1189/2006 of 3rd August 2006 (O.J. L 214, 4.8.2006, p.21).

Under the Security Council Resolutions, a committee of the Security Council (the "Committee") designates persons in respect of whom States are to take measures to impose financial restrictions. The measures include the freezing of funds, financial assets and economic resources of such persons and ensuring that any funds, financial assets and economic resources are not made available to them.

Article 3 of this Order provides that Usama bin Laden, persons designated by the Committee and those identified in a direction given by the Treasury under article 4 are designated persons for the purposes of the Order.

Article 4 gives the Treasury power to give a direction to designate a person for the purposes of the Order if one of a number of specified conditions is fulfilled in respect of the person. The conditions are that the Treasury have reasonable grounds to suspect that the person is or may be (a) Usama bin Laden, (b) a designated person; (c) any person owned or controlled, directly or indirectly, by such a person or (d) any person acting on behalf or at the direction of such a person. This article also gives power for the Treasury to specify in the direction that the prohibition in article 8(1) does not apply in respect of the person identified in the direction.

Article 5 makes further provision about the Treasury's directions, including a requirement for the Treasury to take the steps that they consider appropriate to publicise the direction or to inform only certain persons and to notify the person identified in the direction. This article also includes provision about the manner in which a direction has effect and appeals.

Article 6 gives the Treasury power to specify that information contained in the direction is to be treated as confidential. The article imposes a prohibition on disclosing such information except with lawful authority. The article makes it a criminal offence to contravene this prohibition and provides that the Court may grant an injunction to prevent a breach.

Article 7 prohibits any dealing with funds, financial assets and economic resources of designated persons; anyone owned or controlled by them or anyone acting on their behalf or at their direction. The article makes it a criminal offence to contravene this prohibition.

Article 8 prohibits making funds, financial assets or economic resources available to anyone in respect of whom article 7 applies. The article makes it a criminal offence to contravene this prohibition.

Article 10 makes it a criminal offence to circumvent the prohibitions or to facilitate the commission of an offence relating to a prohibition.

Article 11 provides a licensing procedure to enable, for humanitarian and other purposes, certain acts to be exempted from the prohibitions.

Article 16 gives the Treasury power to delegate its functions under the Order.

Article 18 confirms that the provisions of this Order apply to the Crown but, in the event of a contravention, the Crown is not criminally liable.

Article 20 gives effect to amendments to certain provisions in the Al-Qa'ida and Taliban (United Nations Measures) Order 2002 (S.I. 2002/111) ("the 2002 Order") and provides for the revocation of an amending instrument, the Al-Qa'ida and Taliban (United Nations Measures)(Amendment) Order 2002 (S.I. 2002/251). This article also provides that in any case where a direction has been given under article 8 of the 2002 Order, the provisions of that Order continue to apply. Also, where a licence has been granted under article 7 of the 2002 Order to a person designated by the Sanctions Committee, the licence will continue in force as if it had been granted under this Order. The provisions in the 2002 Order which gave effect to financial sanctions in a number of the Security Council Resolutions are superseded by the provisions in this Order.

Schedule 1 makes provisions about information and evidence.

Schedule 2 lists the amendments and revocation given effect by virtue of article 20.

A partial regulatory impact assessment of the effect that this instrument will have on the costs of business may be obtained from the Asset Freezing Unit of the Financial Crime Team, HM Treasury, 1 Horse Guards Road, London SW1A 2HQ and is also available on HM Treasury's website (www.hm-treasury.gov.uk). A copy of the regulatory impact assessment has been placed in the libraries of both Houses of Parliament.

STATUTORY INSTRUMENTS

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