



# Sanctions and Anti-Money Laundering Act 2018

## 2018 CHAPTER 13

### PART 1

#### SANCTIONS REGULATIONS

### CHAPTER 1

#### POWER TO MAKE SANCTIONS REGULATIONS

#### *Types of sanction*

#### **7 Shipping sanctions**

- (1) For the purposes of section 1(5)(e) regulations “impose shipping sanctions” if they impose prohibitions or requirements for one or more of the following purposes—
  - (a) detaining within the United Kingdom, or controlling the movement within the United Kingdom of—
    - (i) disqualified ships (see subsection (8)), or
    - (ii) specified ships (see section 14);
  - (b) ensuring that disqualified ships or specified ships—
    - (i) do not enter the United Kingdom, or
    - (ii) leave the United Kingdom;
  - (c) preventing persons from owning, controlling, chartering or operating—
    - (i) ships registered in a prescribed country,
    - (ii) ships flying the flag of a prescribed country, or
    - (iii) specified ships;
  - (d) preventing ships from—
    - (i) being registered in a prescribed country, or

---

*Status: This is the original version (as it was originally enacted).*

---

- (ii) flying the flag of a prescribed country;
- (e) preventing the registration of—
  - (i) ships in which a designated person (see section 9) holds a prescribed interest (or designated persons, taken together, hold a prescribed interest),
  - (ii) ships in which persons connected with a prescribed country hold a prescribed interest, or
  - (iii) specified ships.
- (2) For the purposes of section 1(5)(e) regulations also “impose shipping sanctions” if they authorise directions within subsection (3), (4) or (5).
- (3) Directions are within this subsection if they are given for a purpose mentioned in subsection (1)(a) or (b) and either—
  - (a) they are given to a harbour authority by the Secretary of State, or
  - (b) they are given to the master or pilot of a disqualified ship or a specified ship by—
    - (i) the Secretary of State, or
    - (ii) a harbour authority.
- (4) Directions are within this subsection if they are given by the Secretary of State to the Registrar for the purpose of terminating the registration of any ship mentioned in subsection (1)(e).
- (5) Directions are within this subsection if they are given by the Secretary of State to the master or pilot of a British ship (see subsections (12) and (13)) for the purpose of preventing the ship from travelling to—
  - (a) the sea or other waters within the seaward limits of the territorial sea adjacent to a prescribed country, or a particular place in that sea or those waters, or
  - (b) harbours in a prescribed country.
- (6) For the purposes of section 1(5)(e) regulations also “impose shipping sanctions” if, for the purpose of the implementation of so much of a UN Security Council Resolution as provides for the taking of measures in relation to ships designated for purposes of that resolution, they make provision—
  - (a) relating to such ships and corresponding to provision that may be made by virtue of subsection (1)(a), (b), (c) or (e),
  - (b) authorising directions corresponding to directions within subsection (3) to be given in relation to, or to the master or pilot of, such a ship, or
  - (c) authorising directions corresponding to directions within subsection (4) to be given in relation to such a ship.
- (7) Provision made by virtue of subsection (6) may describe the ships to which it relates by reference to the instrument in which the ships are designated, including by reference to that instrument as varied or supplemented from time to time.
- (8) In this section “disqualified ships” means ships—
  - (a) owned, controlled, chartered, operated or crewed by—
    - (i) designated persons,
    - (ii) persons connected with a prescribed country, or
    - (iii) a prescribed description of persons connected with a prescribed country,

- (b) registered in a prescribed country,
  - (c) flying the flag of a prescribed country, or
  - (d) originating from a prescribed country.
- (9) Provision authorising directions by virtue of this section may include provision as to the effect of any such directions so far as they are inconsistent with requirements under any other enactment.
- (10) Provision made by virtue of this section may include provision as to the meaning of any reference in the provision to a ship being “crewed” by persons.
- (11) In subsection (1) any reference to the United Kingdom includes a reference to the territorial sea.
- (12) In this section “British ship” means a ship which—
- (a) is registered under Part 2 of the Merchant Shipping Act 1995,
  - (b) is a Government ship within the meaning of that Act,
  - (c) is registered under the law of a relevant British possession,
  - (d) is not registered under the law of a country outside the United Kingdom but is wholly owned by persons each of whom has a United Kingdom connection, or
  - (e) is registered under an Order in Council under section 1 of the Hovercraft Act 1968.
- (13) For the purposes of subsection (12)(d), a person has a “United Kingdom connection” if the person is—
- (a) a British citizen, a British overseas territories citizen or a British Overseas citizen,
  - (b) an individual who is habitually resident in the United Kingdom, or
  - (c) a body corporate which is established under the law of a part of the United Kingdom and has its principal place of business in the United Kingdom.
- (14) In this section—
- “enactment” includes an enactment mentioned in any of paragraphs (a) to (d) of section 54(6);
  - “harbour authority” has the same meaning as in the Merchant Shipping Act 1995 (see section 313(1) of that Act);
  - “master” includes every person (except a pilot) having command or charge of a ship and, in relation to a fishing vessel, means the skipper;
  - “pilot”, in relation to a ship, means any person not belonging to the ship who has the conduct of the ship;
  - “the Registrar” means the Registrar General of Shipping and Seamen or, where functions of that person are being discharged by another person, that other person;
  - “registration” means registration in the register of British ships maintained by the Registrar;
  - “relevant British possession” means—
    - (a) any of the Channel Islands,
    - (b) the Isle of Man, or
    - (c) any British overseas territory;
  - “ship” includes every description of vessel (including a hovercraft) used in navigation, except the naval, military or air-force ships of any country.