

SANCTIONS ACT 2019

SECTIONS 10(1) and 10(3)

GENERAL LICENCE - RUSSIAN OIL PRICE CAP

In exercise of his powers under section 10(1) and 10(3) of the Sanctions Act 2019, the Chief Minister hereby issues a General Licence, on the terms set out in paragraphs 1 to 5 below, to exempt any act which would otherwise breach the prohibitions imposed by international sanctions, as defined and in force pursuant to sections 6 and 7 of the Sanctions Act 2019, from those prohibitions to the extent required to give effect to the permissions in this General Licence.

Definitions.

1. In this General Licence-

“Attestation” means a document:

- (a) demonstrating that the Unit Price of the Russian oil to be supplied or delivered, or being supplied or delivered, is or will be at or below the Price Cap, such as an invoice, contract or receipt; or
- (b) attesting that the Unit Price of the Russian oil to be supplied or delivered, or being supplied or delivered, is or will be at or below the Price Cap; or
- (c) attesting that the Russian oil was purchased pursuant to a Licence issued under the Sanctions Act 2019 (this document should be signed and have attached to it a copy of the relevant Licence); or
- (d) for Tier 3 Providers, which contains a clause within contractual terms and conditions that the Unit Price of the Russian oil to be supplied or delivered, or being supplied or delivered, is or will be at or below the Price Cap.

The document in paragraph (b) should confirm that:

- (i) the attesting party has received and retained Price Information demonstrating that the Unit Price of the Russian oil to be supplied or delivered, or being supplied or delivered, is or will be at or below the Price Cap; or
- (ii) where the attesting party was unable to receive such Price Information, they have instead received an Attestation that the Unit Price of the Russian oil to be supplied or delivered, or being supplied or delivered, is or will be at or below the Price Cap.

Service Providers may seek to use the published sample Attestation document which is an acceptable form of paragraph (b). If not using the sample Attestation document, the document must also include:

(i) the name, address and details of both parties involved in the transaction for which the attestation is required;

(ii) the date and signature of the representative of the party to the contract/service;

(iii) detail of the contract/service to which the attestation relates; and

(iv) a statement that the Russian oil was purchased at or below the cap, or purchased under a relevant licence.

“Counterparty” means a Person with whom an Involved Person is transacting.

“Designated Person” means any Person to whom international sanctions apply, including any person owned or controlled directly or indirectly by such a person.

“Involved Person” means a person who-

(a) is or has been involved in destabilising Ukraine or undermining or threatening the territorial integrity, sovereignty or independence of Ukraine;

(b) is owned or controlled directly or indirectly by a person who is or has been so involved;

(c) is acting on behalf of or at the direction of a person who is or has been so involved;
or

(d) is a member of, or associated with, a person who is or has been so involved.

“Most Recent Transaction” means any transaction involving Russian oil from the time the Russian oil is first loaded on to a Ship to the date the Russian oil is offloaded at a Third Country. For the purposes of this General Licence Russian oil is offloaded at a Third Country at the point at which the oil passes through customs control in that country.

“Person” means an individual, a body of Persons corporate or unincorporate, any organisation or any association or combination of Persons.

“Price Cap” means per barrel, for crude oil [HS code 2709] – USD 60.

“Price Information” means information detailing the Unit Price, details as to the Most Recent Transaction (including point of departure and ultimate destination, the Unit Price of the oil at the time of the transaction and the Price Cap at the time of the transaction), and details of the Price Cap at the time of sharing the Price Information.

“Relevant Institution” has the meaning provided in Schedule 4 of the Sanctions Act 2019.

“Relevant Services” means:

- (a) financial services and funds relating to maritime transportation of certain oil and oil products; and
- (b) brokering services relating to maritime transportation of certain oil and oil products.

“Russian oil” means 2709 oil and oil products falling within commodity code 2709; and that originate in or are consigned from Russia.

“Service Provider” means a Person providing Relevant Services.

“Ship” includes every description of vessel (including a hovercraft) used in navigation, except the naval, military or air-force ships of any country.

“Third Country” means any country other than Gibraltar and Russia.

“Tier 1 Provider” means a Service Provider who knows or can directly access the Unit Price of the Russian oil to be (or being) supplied or delivered including but not limited to commodities brokers, commodities traders, and importers.

“Tier 2 Provider” means a Service Provider directly interacting with parties with Price Information, who can request and receive the Unit Price of the Russian oil to be (or being) supplied or delivered to/from their customers in the ordinary course of business, including but not limited to financial institutions providing transaction-based trade finance, customs brokers, ship agents.

“Tier 3 Provider” means a Service Provider with no direct access to Price Information, who does not know and cannot access the Unit Price of the Russian oil to be (or being) supplied or delivered. Including, but not limited to, cargo insurers, flagging registries, insurance brokers, P&I clubs, reinsurers, ship owners, and ship management.

“Unit Price” means Price per barrel of Russian oil (to be read with the definition of the Price Cap).

Price Cap.

2.(1) Subject to the exclusions and conditions in this General Licence, and provided that no supply or delivery by Ship of Russian oil or Relevant Services are provided to a Designated Person:

- (a) a Person may supply or deliver Russian oil by Ship from a place in Russia to a Third Country or from one Third Country to another Third Country provided that the Unit Price of the Russian oil concerned is at or below the Price Cap.
- (b) a Service Provider may provide Relevant Services to any Person provided that the Unit Price of the Russian oil being supplied or delivered by Ship from a place in

Russia to a Third Country or from one Third Country to another Third Country is at or below the Price Cap.

- (c) a Relevant Institution may process payments in relation to the activities authorised by paragraphs 2(a) and 2(b).

(2) For the purposes of the permissions in paragraph 2(1) the date or dates at which a Person must determine whether the Unit Price of the Russian oil is at, below or above the Price Cap is the date of the Most Recent Transaction.

(3) For the purposes of paragraph 2(1), “supply or deliver by Ship” includes any transfer of the goods concerned between Ships on which those goods are being supplied or delivered as specified in that paragraph.

(4) Any amendment to the Price Cap takes effect on the date of amendment of this General Licence.

(5) For the avoidance of doubt, this General Licence does not authorise the supply or delivery by Ship of Russian oil at any stage of the journey (including the date at which the oil is loaded or offloaded and passes through customs control) if the Unit Price of the Russian oil is above the Price Cap. This General Licence further does not apply to the import of Russian oil or oil products into Gibraltar, which is subject to a separate prohibition.

Conditions.

3.(1) The permissions in paragraph 2 are subject to the following conditions.

(2) In relation to a Tier 1 Provider (“T1”), T1 must, on request, share with any other Person with whom T1 is transacting, for the purposes of the supply or delivery of Russian oil by Ship from a place in Russia to a Third Country or from one Third Country to another Third Country:

- (a) the Price Information of the Russian oil to be supplied or delivered, or being supplied or delivered by Ship; or
- (b) where paragraph 3(2)(a) is not practicable, an Attestation.

(3) In relation to a Tier 2 Provider (“T2”) who is transacting with a Tier 1 Provider, T2 must:

- (a) prior to completing the transaction or providing services:
 - (i) request from T1 and be in receipt of the Price Information of the Russian oil to be supplied or delivered or being supplied or delivered by Ship from a place in Russia to a Third Country or from one Third Country to another Third Country; or
 - (ii) where subparagraph 3(3)(a)(i) is not practicable, request and be in receipt of an Attestation.

- (b) not proceed with the transaction or provision of services if T1 does not comply with a request under paragraph 3(3)(a) within 5 working days of the request.
 - (c) undertake appropriate due diligence on T1 (or any associated counterparties) to satisfy themselves, based on the information available, of the reliability and accuracy of any information provided by T1 pursuant to a request in paragraph 3(3)(a).
- (4) A Tier 2 Provider who is transacting with any Person for the purpose of the supply or delivery of Russian oil by Ship from a place in Russia to a Third Country or from one Third Country to another Third Country, must, prior to completing a transaction:
- (a) request from that Person and be in receipt of the Price Information of the Russian oil to be supplied or delivered or being supplied or delivered by Ship from a place in Russia to a Third Country or from one Third Country to another Third Country; or
 - (b) where paragraph 3(4)(a) is not practicable, request and be in receipt of an Attestation.
 - (c) undertake appropriate due diligence on that Person (or any associated counterparties) to satisfy themselves, based on the information available, of the reliability and accuracy of any information provided pursuant to a request in paragraphs 3(4)(a) and 3(4)(b).
- (5) T2 must, on request, share with any other Person with whom T2 is transacting, for the purposes of the supply or delivery of Russian oil by Ship from a place in Russia to a Third Country or from one Third Country to another Third Country:
- (a) the Price Information of the Russian oil to be supplied or delivered, or being supplied or delivered by ship; or
 - (b) where paragraph 3(5)(a) is not practicable, an Attestation.
- (6) A Tier 3 Provider (“T3”) who is transacting with any Person for the purpose of the supply or delivery by Ship of Russian oil from a place in Russia to a Third Country or from one Third Country to another Third Country, must, prior to completing a transaction:
- (a) request an Attestation from that Person stating that for the purpose of the specific transaction or service agreement the Person is engaging in, Russian oil with a Unit Price above the Price Cap will not be carried; or
 - (b) include an Attestation in any contractual obligations operating under this General Licence; and
 - (c) on request, provide an Attestation; and
 - (d) undertake appropriate due diligence on that Person (or any associated counterparties) to satisfy themselves, based on the information available, of the

reliability and accuracy of any information provided pursuant to a request in paragraph 3(6)(a).

(7) Any Involved Person who is not a Tier 1, Tier 2 or Tier 3 Provider must obtain a contractual commitment from their client or Counterparty to provide, on request, an Attestation for each transaction involving the supply or delivery by Ship of Russian oil from a place in Russia to a Third Country or from one Third Country to another Third Country. The Involved Person must prior to completing the transaction or services, undertake appropriate due diligence on their client or Counterparty to satisfy themselves, based on the information available, of the reliability and accuracy of the Attestation provided.

(8) A Person who purports to act under the authority of this General Licence but who fails to comply with any condition of the General Licence commits an offence.

Record-keeping requirements.

4.(1) A Person must keep accurate and complete records, readable in English, on paper or electronically, detailing the following:

- (a) a description of the activity taking place under this General Licence;
- (b) a description of the nature of any goods, services or funds to which the activity relates;
- (c) the date of the activity or the dates between which the activity took place;
- (d) the value and/or quantity of any goods, services or funds to which the activity relates;
- (e) the Person's name and address;
- (f) the name and address of any consignee of goods to which the activity relates or any recipient of services or funds to which the activity relates;
- (g) in so far as it is known to the Person, the name and address of the enduser of the goods, services or funds to which the activity relates;
- (h) if different from the Person, the name and address of the supplier of any goods to which the activity relates; and
- (i) where relevant, copies of any Attestation produced or supplied.

(2) For Tier 3 Providers providing insurance or other periodic services, these records may capture the information from part of their annual insurance policy review, or any other periodic review of service agreements.

(3) A Person must keep the records in paragraph 4(1) for a period of 4 years beyond the end of the calendar year in which the record was created.

(4) A Tier 1 Provider is required to report to the Chief Minister each time they undertake activity purporting to be permitted under this General Licence within 40 days. Where there are multiple activities undertaken within a 30-day period, this may be submitted as one consolidated report.

(5) A Tier 2 or Tier 3 Provider seeking attestation directly from a Tier 1 Provider is required to ask and receive confirmation that the Tier 1 Provider has reported to the Chief Minister in compliance with paragraph 4(4) above. For Tier 3 Providers, this confirmation can be received periodically, in line with the attestation requests outlined in paragraph 3(6)(a) and 3(6)(b). For Tier 2 Providers, this confirmation can be received on a quarterly basis. Where they do not receive this confirmation, the Tier 2 or 3 Provider is required to report this to the Chief Minister within 60 days and withdraw their services as soon as reasonably practicable.

(6) Where a Tier 2 or Tier 3 Provider is transacting with a non-Gibraltar Tier 1 Provider, they do not need to receive confirmation of Tier 1 Provider reporting as per regulation 4(4), but do need to inform the Chief Minister of this situation within 60 days. For Tier 2 Providers, this can be undertaken on a quarterly basis. Tier 3 providers may do this periodically, in line with the attestation requests outlined in regulation 3(6)(a) and 3(6)(b).

(7) A Tier 1 Provider must notify the Chief Minister of any change to the details provided under regulation 4(4).

General provisions.

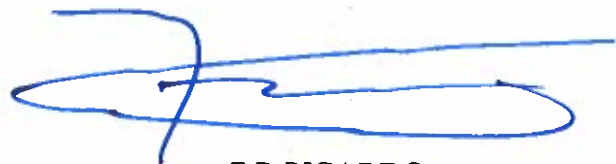
5.(1) The permissions in this General Licence do not authorise any act which the Person carrying out the act knows, or has reasonable grounds for suspecting, will result in a breach of any part of the Sanctions Act 2019, save as permitted under this or other licences granted under the Sanctions Act 2019.

(2) Information provided to the Chief Minister in connection with this General Licence shall be disclosed to third parties only in compliance with the Gibraltar General Data Protection Regulation and the Data Protection Act 2004.

(3) This General Licence takes effect on the date of publication and is of indefinite duration.

(4) The Chief Minister may vary, revoke or suspend the use of this General Licence at any time.

Dated 13 January, 2023.



F R PICARDO,
Chief Minister.

