

News

Changes to the UK's International Sanctions regime

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The UK has recently implemented changes to its international sanctions regime in response to the conflict in Ukraine.

A new set of sanctions centred around asset freezes and travel bans have been introduced against a large number of individuals, under The Russia (Sanctions) (EU Exit) Regulations 2019. Read our [full article](https://www.sra.org.uk/sra/news/russian-conflict-and-sanctions/) [https://www.sra.org.uk/sra/news/russian-conflict-and-sanctions/] on the importance of complying with Russian financial sanctions.

Please note that the sanctions list is being updated frequently.

It is illegal to provide prohibited services (which include financial transactions and trade in specific goods) to sanctioned individuals and organisations without a licence from the Office of Financial Sanctions Implementation (OFSI). Any failure to comply with sanctions requirements is an offence which may result in criminal prosecution or a monetary penalty.

If you know or have reasonable cause to suspect in the course of carrying out your business that a person is subject to sanctions or that a person has breached sanctions requirements, you must [report](https://www.gov.uk/guidance/suspected-breach-of-financial-sanctions-what-to-do) [https://www.gov.uk/guidance/suspected-breach-of-financial-sanctions-what-to-do] it to OFSI.

The recently enacted Economic Crime (Transparency and Enforcement) Act 2022 also allows for HM Treasury to impose civil monetary penalties without OFSI having to prove that a person had knowledge or reasonable cause to suspect their activity breached sanctions.

You must be highly vigilant to any attempts to evade the sanctions imposed as the list of targeted individuals may alter with short notice.

Firms must consult the [consolidated sanctions list](https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets) [https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets] published by HM Treasury (a [search tool](https://sanctionssearchapp.ofsi.hmtreasury.gov.uk/) [https://sanctionssearchapp.ofsi.hmtreasury.gov.uk/] is also available) to view the current sanction targets. Please also refer to the [OFSI website](https://www.gov.uk/government/publications/financial-sanctions-faqs) [https://www.gov.uk/government/publications/financial-sanctions-faqs] for general guidance and further information on licensing.

Should I still report suspicion?



Any reports to OFSI do not remove the legal requirement to file a [Suspicious Activity Report](https://www.nationalcrimeagency.gov.uk/what-we-do/crime-threats/money-laundering-and-illicit-finance/suspicious-activity-reports#:~:text=The%20easiest%20way%20to%20submit,can%20be%20made%2024%2F7.1) [https://www.nationalcrimeagency.gov.uk/what-we-do/crime-threats/money-laundering-and-illicit-finance/suspicious-activity-reports#:~:text=The%20easiest%20way%20to%20submit,can%20be%20made%2024%2F7.1] with the National Crime Agency where appropriate under the Proceeds of Crime Act 2002 or the Terrorism Act 2000.

Reporters should use the glossary code XXSNEXX where they suspect the activity is consistent with money laundering and is linked to entities sanctioned by the UK, US, EU and other overseas jurisdictions as a result of the Russian invasion of Ukraine.