



Foreign, Commonwealth
& Development Office

The UK's approach to Sanctions

Vilnius Chamber of Commerce, Industry & Crafts

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22nd October 2025

Strategic Context of UK Sanctions

Sanctions are a key economic tool available to the UK and partners which can be used to achieve a range of foreign and security policy objectives. For the UK these objectives can be broadly divided into three categories:

1. Promoting national and international peace and security;
2. Encouraging compliance with international law, rules and norms, including protection and promotion of human rights and democratic governance; and
3. Furthering a foreign policy objective of the UK.

Sanctions measures can contribute to these purposes through three mechanisms – deter, disrupt and demonstrate.

UK sanctions apply to all persons **within the territory and territorial sea of the UK and to all UK persons, wherever they are in the world.** This means that:

- All individuals and legal entities who are within or undertake activities within the UK's territory must comply with UK sanctions that are in force
- All UK nationals and legal entities established under UK law, including their branches, must also comply with UK sanctions that are in force, irrespective of where their activities take place.



Persons in the UK



British Nationals



British entities

What is the legal basis of UK sanctions?



Sanctions and Anti-Money Laundering Act 2018

2018 CHAPTER 13

An Act to make provision enabling sanctions to be imposed where appropriate for the purposes of compliance with United Nations obligations or other international

STATUTORY INSTRUMENTS

2019 No. 855

EXITING THE EUROPEAN UNION SANCTIONS

The Russia (Sanctions) (EU Exit) Regulations 2019

Made - - - - 10th April 2019

Laid before Parliament 11th April 2019

Coming into force in accordance with regulation 1(2)
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The Sanctions and Anti-Money Laundering Act (2018), or SAMLA, is the piece of primary legislation that enables the UK to implement UN sanctions regimes and our autonomous (non-UN) sanctions.

Each of the 37 individual regimes are set out in secondary legislation under the powers granted in SAMLA;

- **Geographic regimes** – cover individual countries, such as Russia, Belarus and North Korea.
- **Thematic regimes** – cover “themes” such as counter-terrorism, anti-corruption and human rights abuses.

SAMLA also sets out the UK’s powers for anti-money laundering and counter-terrorist financing

Sanctions In Numbers

Over 4000  Individuals and entities designated globally

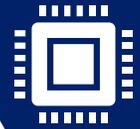
£25bn  worth of Russian Assets Frozen

130+  Oligarchs sanctioned

98%  of UK-Russian bilateral goods trade worth £20bn sanctioned

\$450bn  Estimated loss to Putin's regime because of western sanctions

28  Russian Banks Sanctioned accounting for 90% of Russian banking sector

8  Thematic Regimes

29  Geographic Regimes

400+  Shadow fleet vessels sanctioned under this government

Mitigations to ensure access to food, medicines and humanitarian aid are protected from sanctions 

15 May 2025
Published our Cross-government review of sanctions implementation and enforcement

5 Departments involved in core sanctions development and enforcement

12  pieces of sanctions secondary Legislation passed under this government

 A network of UK Sanction Attachés

450+ Total Iran designations

22 July 2025
Laid our new Global Irregular Migration regime in Parliament

Implementing sanctions across Government

Foreign policy – definition of high-level policy objectives, sanctions regime design and strategy	Foreign, Commonwealth and Development Office			
	Trade sanctions	Financial sanctions	Transport sanctions	Immigration sanctions
Measures policy – design of sanctions measures within regimes*	Department for Business and Trade Foreign, Commonwealth and Development Office	HM Treasury Foreign, Commonwealth and Development Office	Department for Transport Foreign, Commonwealth and Development Office	Home Office Foreign, Commonwealth and Development Office
Designations – decisions to apply certain sanctions measures to specific individuals, entities and ships	Foreign, Commonwealth and Development Office			
		HM Treasury lead on designations under the UK's domestic counter-terrorism sanctions regime.		
Implementation – licensing, engagement and guidance	Department for Business and Trade, including the Office of Trade Sanctions Implementation	HM Treasury's Office of Financial Sanctions Implementation	Department for Transport	Home Office
Civil enforcement – investigations and civil monetary penalties	Department for Business and Trade's Office of Trade Sanctions Implementation	HM Treasury's Office of Financial Sanctions Implementation	Department for Transport	Home Office
Criminal enforcement – investigations and criminal prosecution	HM Revenue and Customs	National Crime Agency		Home Office
	Police and Serious Fraud Office			

Due to the breadth and large scope of UK sanctions, we operate across Government to deliver our sanctions objectives.

The **Office for Financial Sanctions Implementation (OFSI)** within HM Treasury is responsible for implementation, licensing and civil enforcement activities related to financial sanctions.

The **Office for Trade Sanctions Implementation (OTSI)** within the Department of Business and Trade is responsible for implementation, licensing and civil enforcement activities related to trade sanctions.

The UK's Russian sanctions objectives

Our aims are to:

- Inflict an **economic cost** on Putin's regime and target those who it prop up
- Sabotage Putin's capacity to fund his war
- **Cripple Russia's military-industrial supply chains** and technological advancement

We will achieve this by:

- Relentlessly crack down on efforts to circumvent our sanctions.
- Co-ordinating action with the sanctions coalition, particularly the EU.
- Reinforcing sanctions implementation and enforcement, including by bolstering our guidance to business.
- Deepening engagement with business and other key stakeholders.

“ Sanctions have achieved the crucial goal of leaving Russia's economy highly unstable in the medium to long term, and heavily reducing its military capabilities to an extent that makes its current losses unsustainable

RUSI

Foreign Policy Magazine

ANALYSIS

Technology Controls Can Strangle Russia—Just Like the Soviet Union

Export restrictions are slow and imperfect, but they work.

What sanctions has the UK imposed on Russia?

 **Designations** – over 2900 entities subject to asset freezes, travel bans and other restrictions. This includes individuals, companies, financial institutions and ships.

 **Trade measures** – prohibitions on the export and import of a wide of goods, services and technologies

 **Sectoral sanctions** – financial prohibitions, implementation of the Oil Price Cap, actions on Russian Sovereign Assets.



A Spotlight on Circumvention

UK activity to counter evasion and avoidance

What is the UK's approach to countering sanctions circumvention?



Understanding the trends and evolutions in circumvention techniques being used by Russia and third countries



Improving domestic awareness of UK sanctions and ensuring that UK businesses are undertaking appropriate due diligence



Diplomatic outreach to ensure that high circumvention risk countries are implementing measures of their own



Enforcing our sanctions via HMRC, the Office for Financial Sanctions Implementation and the Office for Trade Sanctions Implementation

Understanding new circumvention trends

We undertake a range of analysis on circumvention trends, including on Common High Priority List (CHPL) supply to Russia. We use this to inform our approach to international engagement and our advice to UK businesses.

For example, this is open-source information (S&P GTAS) on declared exports of CHPL goods to Russia:

Rank 23/24	Rank 24/25	Country	August 2024-July 2025		Last 6 months of available data*	
			Monthly average (\$m)	Change on previous year	Monthly average (\$m)	Change on previous year
1	1	China	359.9	-8%	325.2	-5%
2	2	Hong Kong	45.6	-15%	53.1	46%
3	3	India	28.9	-26%	22.7	-62%
4	4	Kazakhstan	16.2	-16%	14.4	-26%
6	5	Malaysia	8.9	-23%	1.5	-88%
7	6	Thailand	8.8	-14%	9.8	38%
5	7	Türkiye	3.6	-72%	3.5	-38%
14	8	United States	2.4	121%	3.5	325%
10	9	Vietnam	2.4	46%	2.4	96%
13	10	Kyrgyzstan	1.6	24%	1.8	65%
15	11	Germany	0.6	-17%	0.6	72%
12	12	Israel	0.5	-61%	0.2	-80%
8	13	Armenia	0.3	-92%	0.3	-85%
16	14	Netherlands	0.2	-57%	0.3	-25%
22	15	Azerbaijan	0.2	73%	0.3	967%

The UAE has not published 2024 trade data. According to publicly available trade data, in 2023, UAE was the 3rd largest exporter of CHP goods to Russia.

Source: Publicly available trade data (Global Trade Analytics Suite, S&P Global).

Increasing business awareness and compliance

We have introduced a range of guidance for UK business and businesses in third countries to improve their awareness of and compliance with UK sanctions. This has included general due diligence guidance, information on implementing a “no Russia” clause, and translated guidance for local audiences.



Department for
Business & Trade



Office of Trade
Sanctions Implementation

Guidance

Countering Russian sanctions evasion - guidance for businesses

Updated 4 August 2025



Department for
Business & Trade



Office of Trade
Sanctions Implementation

Guidance

No-Russia clause guidance

Published 7 January 2025

This guidance includes a list of countries for which businesses may wish to consider conducting **enhanced due diligence**:

- Armenia
- China, including Hong Kong and Macau
- India
- Kazakhstan
- Kyrgyzstan
- Malaysia
- Serbia
- Thailand
- Türkiye
- UAE
- Uzbekistan
- Vietnam

HM Revenue and Customs Strategic Exports & Sanctions Enforcement and Policy

Presentation: 22 October 2025

Vilnius Chamber of Commerce, Industry & Crafts



HM Revenue
& Customs

Background

The export and trade in goods and certain services is controlled by a combination of UK export control legislation and UK/UN sanctions.

HMRC's Strategic Exports and Sanctions enforcement role falls into three main areas:

- The export of dual use goods (i.e. goods which may have civilian and military application)
- the export of military goods (including Trafficking and brokering activity)
- The import/export of sanctioned goods and related services

What we do

- Work with businesses to educate and promote voluntary compliance.
- Facilitate legitimate trade.
- Facilitate the seizure of unlicensed goods detected at the UK border.
- Detect and prevent the illegal export of Military, Dual-Use and sanctioned goods.
- Take Enforcement action
- Support X-WH work on circumvention

The UK Enforcement Community

HMRC:

- Intelligence Development & Investigation
- Freight Clearance and Assurance functions
- Intelligence Analysis
- Compliance
- Enforcement Policy

Border Force (BF)

The Crown Prosecution Service (CPS)

What happens when HMRC/ BF stop goods

- CDS risk profile is hit.
- Initial assessment by NCH against profile.
- Ten point tech questions sent out.
- Referral to Department for Business & Trade (DBT) for assessment of goods/ end user.
- DBT assessment will inform seize/release

Enforcement Outcomes 2024

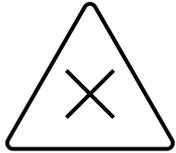
- **199** seizures of sanctioned and strategic goods. These are cases where goods were presented for export and found to be in breach of licensing requirements or sanctions and embargoes.
- **103** end-use cases, where non-listed items were stopped from leaving the UK and brought within export controls. This control is used if there is a risk that the goods would be put to an illicit military or WMD end-use.
- HMRC issued **14** compound settlements totalling **£5,069,157.20**.
- There were **5** positive charging decisions by prosecuting authorities for cases that are pending trial, and one conviction in 2024.



UK Sanctions

- The UK has powers in place to cut off the supply of goods, technologies and revenues necessary to fund, resource and maintain theatres of conflict
- The Common High Priority Items List (CHPL) is composed of items critical to weapons systems and military development – CHPL
- The UK is working in coordination with international partners to tackle sanctions avoidance and evasion, including closing routes potentially used to circumvent our sanctions
- HMRC has seen changes in exporter behaviour since the war in Ukraine in February 2022. Data analysis shows that growth in the export of electronic, mechanical and other components included in the CHPL warrants further investigation, including industry examination and identification of entities involved.
- HMRC can take enforcement action on exporters breaching sanctions, even at the point of declaration and prior to the goods leaving the UK.

Offence Actions by HMRC



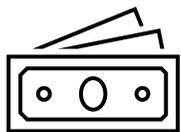
Disrupt: Detain and restore on the undertaking that goods will not be exported without a licence



Seize: Restore if appropriate (restoration fee)



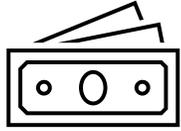
Investigate: HMRC offers customers the opportunity to voluntarily disclose non-compliance. SE&SE will investigate and decide on:



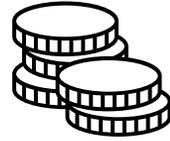
- No Further Action
- Warning Letters
- Education/ Outreach Visit
- Compound Settlement
- Criminal Investigation



- **Referral to Crown Prosecution Service (or other UK equivalent):** fine of any amount and asset confiscation, custodial sentence, maximum sentence being 10 years.



Compound Settlements



A compound settlement offer is the means whereby **we can offer to settle out of court**, through the payment of a sum of money any alleged offence committed under the Customs and Excise Management Act (CEMA) 1979, Export Control Order 2008 and Sanctions Orders.

Compound Settlements are **offered where it is believed there is sufficient evidence to prosecute**.

HMRC cannot impose a Compound Settlement and the individual/company are not obliged to accept it. However, if accepted, the individual/company **must accept their guilt**.

As part of the compound settlement, HMRC agrees not to disclose the name of the company.

[Notice to Exporters](#)

Compound Settlement Yearly Breakdown

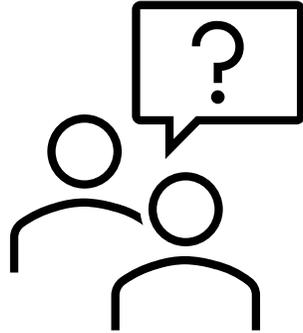
Year	Number of StratEx Settlements	StratEx Value	Number of Sanction Settlements	Sanction Value	Total Number of Settlements (non-disclosures)	Value of assessments	Voluntary Disclosures Referred for prosecution
2020	19	£700,368.01	0	£0	19 (4)	£700,368.01	0
2021	12	£226,701.18	0	£0	12 (4)	£226,701.18	0
2022	20	£6,879,897.94	2	£20,689.20	22 (2)	£6,900,587.14	0
2023	5	£991,376.96	4	£1,285,013.81	9 (0)	£2,276,390.77	1
2024	13	£5,010,730.75	1	£58,426.45	14 (0)	£5,069,157.20	0
Total	69	£13,809,074.84	7	£1,364,129.46	76	£15,173,204.30	1

UK Government Advice to Industry

- The UK Government, through the Department for Business and Trade (DBT), issue comprehensive guidance and tools to the business community.
- This is primarily done online. A particularly good example can be found here: [DBT Russia Sanctions Evasion Guidance](#)

Thank you

Any questions



Strategic Exports & Sanctions Enforcement

HM Revenue & Customs