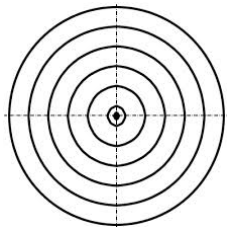


Financial Sanctions



HM Treasury



- HM Treasury implement financial sanctions in the UK
- Financial sanctions target individuals/entities who are listed by the UN or EU under sanctions regulations, as well as entities owned or controlled by those listed.
- HM Treasury may also domestically designate individuals under the Terrorist Asset Freezing Act.
- Sanctions targets are known as ‘designated persons’
- HM Treasury issue a consolidated list of all UN, EU and domestic sanctions which apply in the UK

<https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>



HM Treasury

Official

Why do financial sanctions matter to exporters?



- An asset freeze is the most common type of financial sanction
- This will prohibit the use of funds or economic resources by or for a designated person
- It also prohibits making funds or economic resources available to a designated person
- An economic resource is an asset of any kind
- If the person you are doing business with is a designated person, or owned or controlled by them:
 - You will need to get a licence to give them goods
 - They will need a licence to pay you
- If the bank that payment is going through is designated, you will also need a licence

Iran

- Separately to asset freezes there are restrictions in place in relation to making payments to and from ‘Iranian persons and entities’.
- Notification or Authorisation is required PRIOR to payment being made.

Purpose of Transfer	Value of the transfer in EUR or its equivalent	Iranian bank involved?	Prior Notification or Authorisation
Foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes.	Of or above: 1,000,000	Yes	Authorisation
Foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes.	≥10,000 < 1,000,000	Yes	Notification
Foodstuffs, healthcare, medical equipment, or for agricultural or humanitarian purposes.	Of or above: 10,000	No	Notification
Trade contract	Of or above: 100,000	Yes	Authorisation



www.gov.uk/government/publications/financial-sanctions-iran-nuclear-proliferation

Still doing business



- A Treasury licence is separate to an export licence
- Where a licencing ground exists in the EU regulations, HMT may issue licences to enable transactions to take place which would otherwise be a breach of sanctions
- Common licencing grounds include the payment of basic expenses and completion of prior contracts
- Licence application forms can be found here:
www.gov.uk/guidance/sanctions-embargoes-and-restrictions
- We aim to engage with licence applicants within 4 weeks of their application
- We work with the NCA to enable enforcement against sanction breaches

Contact us



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- 020 7270 5454



- <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>