

## **UK SANCTIONS COMPLIANCE**

We provide clarity and expertise on United Kingdom Sanctions compliance that came into force from 1st January 2021. We offer our clients assistance with their compliance needs, and expertise with the UK Sanctions regulatory global framework.

### **SANCTIONS OVERVIEW**

Sanctions are a political trade restrictions' tool. Countries have used sanctions or had sanctions placed against either themselves or their citizens. Sanctions are also used as an economic tool, and have become a strong component in foreign relations, peacekeeping, and conflict resolutions.

### **UK SANCTIONS**

From the 1st January 2021 the UK will introduce UK Sanction regimes through the Sanctions and Anti-Money Laundering Act 2018 (also known as the Sanctions Act). On this day, any sanctions that are designated through EU Law will no longer apply to the UK. The UK as a member of the UN will continue to implement UN Security Council resolutions into UK Law.

The key objectives of the UK Sanctions are:

- For the interest of International Peace and Security
- For the interest of National Security
- Preventing terrorism
- UK Government Foreign Policy
- Promote armed conflict resolution or protection of civilians in conflict zones.
- Promote accountability for Human Rights.
- Promote compliance to International Humanitarian Law
- Prevent the spread or use of Weapons of Mass Destruction
- Promote democracy and the rule of law.

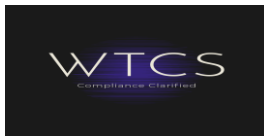
The Foreign & Commonwealth Office (FCO) is responsible for the overall UK policy on international sanctions, including the creation and amendment of the UK Sanctions List. Other UK Government departments having responsibility for UK Sanctions are:

- Department of International Trade (DIT) - Trade and trade restrictions
- Office of Financial Sanctions Implementation (OFSI) - Finance
- Home Office – Immigration

### **LICENSING AND AUTHORISATIONS**

Under UK Sanctions there are 3 types of sanctions measure in place, which are Trade Sanctions, Financial Sanctions and Travel Bans. Assessment needs to be undertaken relating to business activities to understand if one of the following licenses is needed:

- Export and Trade Licenses – Permitting trade for business operations.
- Import Licenses – Enabling the import of sanction restricted products at National or UN Level.



- Financial Sanction Licenses – license for any transactions with an individual or business that is subject to UK Financial Sanctions.

## **WHO NEEDS TO COMPLY WITH UK SANCTIONS?**

UK Sanctions apply to the United Kingdom its territories and all UK citizens throughout the world. Compliance with UK Sanctions is required by all individuals and businesses which operate within the United Kingdom or its territories.

## **UK SANCTIONS PENALTIES**

Business must be aware of sanctions that may affect them in the day to day running of operations, as any failure to obtain a license or waiver or stopping a shipment could be costly. Sanctions can be complex, subject to change and can carry heavy penalties for those who breach them. To ensure compliance, businesses must integrate UK Sanctions verification as part of their compliance program from point of order enquiry.

It is a criminal act to export strategic or controlled goods that are subject to sanctions, without the relevant license which is issued by the UK Export Control Organisation.

Impact to a business for any such violation can include seizure of goods, financial penalties and criminal charges against responsible individuals and businesses. Breaches of sanctions are criminal offences; these are punishable as follows:

- Criminal conviction by up to 7 years in prison.
- Financial fine up to £1 million or 50% of the sanctions breach

Any individual found guilty of an offence under the Terrorism Act 2000 for dealings with a terrorist organisation is liable of a criminal conviction of up to 14 years and/or an unlimited fine.

## **GLOBAL TRADE MANAGEMENT**

Wherever you trade, our consulting professionals who have extensive Sanctions expertise, will help you establish and maintain your Sanctions compliance controls- Experience always pays.

We can provide you with a plan to succeed. We offer the following key elements to support your UK Sanctions Compliance Program

- A full knowledge of UK Sanctions and how to comply.
- Designing an effective sanctions compliance program
- Licensing and authorisation application
- Guidance on contractual clauses
- Risk Assessments
- UK Sanctions training

**Find out how WTCS** can work with you as a trusted partner for all your Sanction Compliance needs.