



Foreign, Commonwealth
& Development Office

Sanctions Regulations Report on Annual Reviews 2021

Annex: Annual Reviews



January 2022



Foreign, Commonwealth
& Development Office

Sanctions Regulations Report on Annual Reviews 2021

Presented to Parliament Pursuant to Section 30 of the Sanctions
and Anti-Money Laundering Act 2018

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Ministerial Foreword, Lord (Tariq) Ahmad of Wimbledon. Minister of State, Foreign, Commonwealth and Development Office

Since the end of the Transition Period, the UK has been pursuing an independent sanctions policy, driven by our foreign policy objectives and projecting the UK as a network of liberty and defender of human rights. As set out in the Integrated Review, the UK uses our sanctions regimes as part of an integrated approach to promote our values and interests, and to combat state threats, terrorism, cyber-attacks, and the use and proliferation of chemical weapons.

By the end of the Transition Period on 31 December 2020, the Foreign, Commonwealth and Development Office made 99 statutory instruments under the Sanctions and Anti-Money Laundering Act 2018 (the Sanctions Act), establishing UK sanctions regimes for UN and former EU sanctions and extending those regimes to the Overseas Territories (except Bermuda and Gibraltar, which make their own legislation) and, where necessary, the Isle of Man.

At the same time, FCDO transitioned into UK law 1084 EU sanctions designations, which came into effect on 31 December 2020. UK and UN designations are published on gov.uk in the [UK Sanctions List](#).

Since leaving the EU and moving to an independent sanctions policy, the UK has become more agile and has real autonomy to decide how we use sanctions and where it is in our interests to do so.

We have seen the value of this in two recently established UK autonomous sanctions regimes. On 6 July 2020 HMG launched the Global Human Rights sanctions regime, giving us a powerful new tool to hold to account those involved in serious human rights violations or abuses. And on 26 April 2021 HMG launched the Global Anti-Corruption sanctions regime,



enabling us to combat serious corruption around the world and prevent funds from being used to fund conflict, terrorism or organised crime.

These sanctions regimes are not about punishing countries or their populations. They are smart tools allowing the Government to impose both asset freezes and travel bans on specific individuals or entities in order to provide accountability for and deter corruption and serious violations of human rights around the world. Designations under these regimes can also prevent those responsible from entering the UK or availing themselves of their assets.

At the time of writing, we have already made a combined 106 designations under these two flagship regimes, ensuring and sending a clear message that the UK is not a safe haven for those individuals and entities involved in serious corruption and human rights violations or abuses, including those who profit from such activities.

The UK has **18 autonomous sanctions regimes** and **12 mixed UK/UN regimes** which it uses and maintains under the Sanctions Act. **6 UN-only regimes** and their designations are implemented in UK law.

The introduction of our autonomous sanctions regimes, alongside our implementation of UN sanctions regimes, underpins global Britain's role as a positive force on the international stage.

All of our autonomous sanctions regimes have equivalents among one or more of our allies. International cooperation will remain at the heart of UK sanctions policy. Sanctions work best when multiple countries act together to constrain or coerce a target's ability to carry out unacceptable behaviour, or to send a political signal that such behaviour is intolerable.

The UK is using its new independent sanctions policy to take on a distinctive leadership role as a credible, effective and collaborative sanctions partner. There are new opportunities for the UK to make significant investments in bilateral and multilateral relationships, such as through our G7 Presidency this year, which held the first G7 Sanctions Working Group. The UK will continue to seek opportunities for international cooperation, including with the EU, the US, Canada and Australia, to ensure sanctions are implemented and enforced collectively wherever possible.

This valuable report contains reviews for 33 of the UK sanctions regimes regulations. In line with our statutory obligations under the Sanctions Act, we must review annually whether each set of regulations is still appropriate for the purposes stated in them.

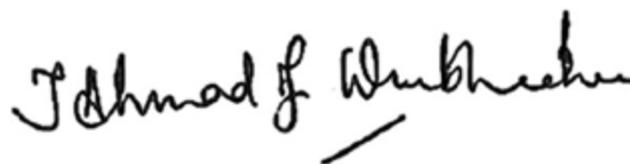
It is important to regularly review our sanctions regimes to ensure they are fit for purpose. In the case of the Burundi regime, due to developments in that country, we concluded that one of the four purposes of the regime was no longer appropriate. The

Foreign, Commonwealth and Development Office took action on 13 December 2021 to modify the regime's purposes accordingly.

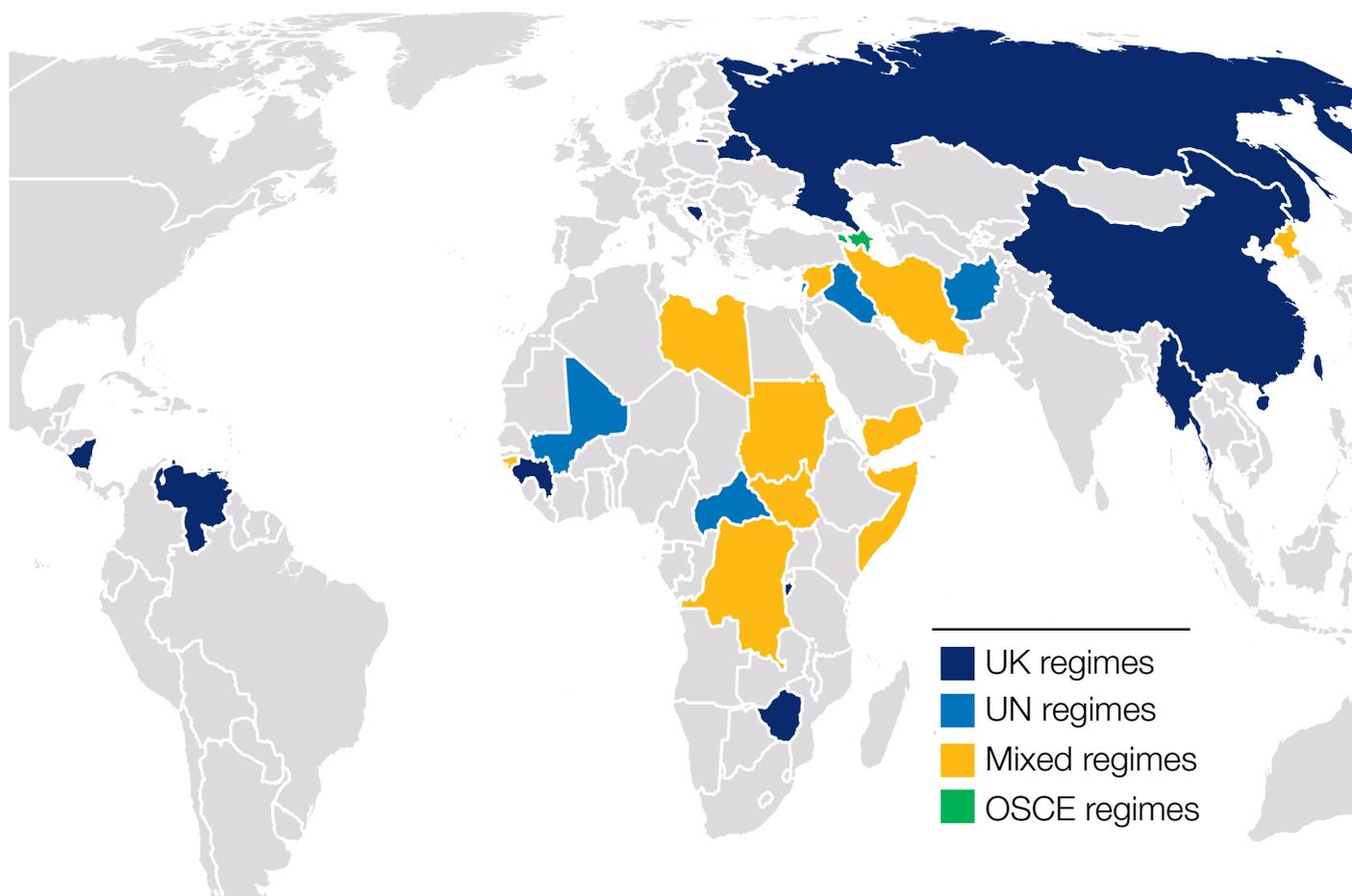
During my time as a Minister in the Foreign, Commonwealth and Development Office, I have seen the UK transition from an active and influential voice in the EU to a fully-fledged independent sanctions player on the world stage. Throughout this time, the UK has shown global leadership on sanctions, ranging from the response to chemical weapons attacks on UK soil, the coup in Myanmar, the deteriorating situation in Belarus, and against global corruption. It is my firm belief that sanctions are most effective when we co-ordinate our sanctions with our key partners and in this respect we continue to work closely with the US, the EU and Canada. I am proud of all that we have achieved so far, and I look forward to a future where the UK continues to be a positive force in the world, part of a network of liberty fighting corruption, violations of human rights, and other ills across the globe.

New Sanctions in 2021 as of 23/12/21

- » 160 UK autonomous sanctions designations across 13 regimes
- » 1 new regime—Global Anti-Corruptions Sanctions
- » 10 new sanctions measures added to the Belarus regime
- » 16 pieces of secondary legislation made



Mapping the rise of targeted sanctions



| Regime | Individuals | Entities | Ships |
|---------------------------------------|-------------|----------|-------|
| Afghanistan | 135 | 5 | |
| Armenia (Arms Embargo) | | | |
| Azerbaijan (Arms Embargo) | | | |
| Belarus | 108 | 10 | |
| Bosnia and Herzegovina | 0 | 0 | |
| Burundi | 0 | 0 | |
| Central African Republic | 14 | 1 | |
| Chemical Weapons | 22 | 2 | |
| China (Arms Embargo) | | | |
| Counter Terrorism (International) | 22 | 22 | |
| Counter Terrorism (Domestic) | 1 | 0 | |
| Cyber | 8 | 4 | |
| Democratic People's Republic of Korea | 137 | 84 | 37 |
| Democratic Republic of Congo | 47 | 9 | |

| Regime | Individuals | Entities | Ships |
|--|-------------|----------|-------|
| Global Anti-Corruption | 27 | 0 | |
| Global Human Rights | 73 | 6 | |
| Guinea Bissau | 12 | 0 | |
| Guinea Conakry | 5 | 0 | |
| Iran (Human Rights) | 82 | 1 | |
| Iran (Nuclear) | 57 | 142 | |
| Iraq | 83 | 13 | |
| ISIL (Da'esh) and Al-Qaida | 262 | 89 | |
| Lebanon (Arms Embargo) | 0 | 0 | |
| Lebanon (Assassination of Rafiq Hariri and others) | 0 | 0 | |
| Libya | 45 | 22 | |
| Mali | 8 | 0 | |
| Myanmar | 24 | 5 | |
| Nicaragua | 14 | 0 | |
| Russia | 180 | 48 | |
| Somalia | 18 | 1 | |
| South Sudan | 9 | 0 | |
| Sudan | 3 | 0 | |
| Syria | 282 | 70 | |
| Syria (Cultural Property) | 0 | 0 | |
| Unauthorised drilling | 0 | 0 | |
| Venezuela | 36 | 0 | |
| Yemen | 9 | 0 | |
| Zimbabwe | 4 | 1 | |

as of 23 December 2021

Case study 1: Myanmar

On 26 April 2021, the UK substantially updated its autonomous Myanmar sanctions regime in order to ensure that we are fully able to use this regime to respond to the coup d'état staged by the Myanmar military on 1 February 2021. The purpose of the sanctions regime is to promote peace and stability in Myanmar, ensuring respect for democracy, good governance and the rule of law. It aims to encourage all actors, and in particular the Myanmar Security Forces, to respect human rights and, where relevant, comply with their obligations under international human rights law.

The new designations target the Myanmar military's economic interests through asset freezes and travel bans on designated persons. Since the new regulations came into place we have maintained pressure on the Myanmar military and the broader scope of the instrument ensures that we can continue to coordinate our sanctions policy with the US, EU and Canada.

How do UK sanctions work?

The Sanctions Act enables the UK to impose the following types of sanctions measures through secondary legislation:

- » trade sanctions, including arms embargoes and other trade restrictions
- » financial sanctions, including asset freezes
- » immigration sanctions, known as travel bans
- » aircraft and shipping sanctions, including de-registering or controlling the movement of aircraft and ships
- » other sanctions for purposes of UN obligations

Some sanctions measures (such as asset freezes and travel bans) apply only to individuals, entities or ships which have been designated or specified by the UK Government. Designations are publicised through the [UK Sanctions List](#), which contain designations and specifications made using legislation under the Sanctions Act, and OFSI's [Consolidated List of Asset Freeze Targets](#). Other sanctions measures (such as trade sanctions) apply more broadly, often covering specified activities in relation to a particular country and persons connected to that country.

Whilst the Sanctions Unit in the Foreign, Commonwealth and Development Office holds responsibility for the use of sanctions as part of the UK foreign policy, including the sanctions list, designations and legislation, they work in close partnership with a number of Government departments across Whitehall to deliver UK sanctions.

Trade Sanctions

The Department for International Trade (DIT) implements trade sanctions. DIT's [Export Control Joint Unit](#) administers the UK's system of export controls and licensing in relation to trade sanctions. DIT's Import Licensing Branch implements trade sanctions relating to imports.

DIT also manages the Protection of Trading Interests Legislation, which protects UK persons trading with countries affected by the extraterritorial application of certain laws.

HM Revenue and Customs (HMRC) is responsible for enforcing the licensing restrictions and investigating suspected offences.

Financial Sanctions

HM Treasury designs, implements and enforces financial sanctions. The [Office of Financial Sanctions Implementation](#) (OFSI) helps to ensure that financial sanctions are properly understood, implemented and enforced in the UK.

OFSI helps companies understand their financial sanctions obligations, monitors compliance and assesses suspected breaches. OFSI can also issue licences to allow otherwise prohibited financial transactions to take place under certain circumstances. OFSI also maintain the [Consolidated List of Asset Freeze Targets](#), which contains details of designations where asset freeze measures apply.

HMT is also responsible for the domestic counter-terrorism sanctions regulations.

Transport Sanctions

The Department for Transport implements and enforces sanctions in the aviation and maritime sectors. The enforcement of these sanctions is supported by the Civil Aviation Authority (CAA), the Maritime and Coastguard Agency (MCA), the National Air Traffic Services (NATS) and airport operators.

Immigration Sanctions

The Home Office implements and enforces immigration sanctions, also known as travel bans, through the powers of the 1971 Immigration Act.

Those subject to travel bans will be refused leave to enter or remain in the UK. Any applications they make for a visa to travel to the UK, including for transit purposes, will be refused. Any foreign national who is subject to a travel ban, and who is currently in the UK, will have their permission to stay in the UK cancelled and steps will be taken to remove them from the UK.

Exceptions and Licensing

Sanctions Regulations set out exceptions to some of the sanctions prohibitions which apply within certain defined circumstances. An exception applies automatically, and a licence is not required under sanctions legislation.

Licences may be issued for certain activities that trade, financial or transport sanctions measures would otherwise prohibit, and in certain circumstances exceptions may be made to an immigration sanction to allow travel to or through the UK which would otherwise be prohibited.

Our sanctions are targeted in scope to minimise any humanitarian impact or wider impact on UK business. Through application of a range of humanitarian exceptions and licensing grounds, we enable humanitarian activity. In addition, we have exceptions and robust licensing procedures in place to allow firms to carry out legitimate activity.

Between 12 November 2020 and 26 November 2021, OFSI received no humanitarian licence applications.

Case study 2: Belarus

In August 2021 the UK significantly strengthened its Belarus sanctions regime to impose new financial, trade and aircraft sanctions measures, and to add to the list of activities which may give grounds for a person to be designated. The measures include restricting trade in potash, tobacco and petroleum products, dual-use goods and technology, and interception and monitoring goods and technology; prohibiting various financial dealings with the Belarusian authorities and other state actors; adding a measure to prohibit the provision of technical assistance to aircraft linked to designated persons; and targeting the movement of Belarusian aircraft. A new designation criterion was added covering 'providing support for or obtaining an economic benefit from the Government of Belarus'. See the Explanatory Memorandum for the Belarus Regulations for more information.

The UK adopted these additional sanctions measures to further encourage the Government of Belarus to respect democratic principles and institutions, the separation of powers and the rule of law in Belarus, refrain from actions, policies or activities which repress civil society in Belarus, comply with international human rights law, and respect human rights.

These new measures followed designations by the UK on 21 June 2021 in close coordination with the US, Canada and EU, of 7 individuals and 1 entity from the Belarusian regime in response to the detention of journalist Roman Protasevich and Sofia Sapega following the unlawful diversion of Ryanair flight FR4978 in May 2021. One further designation under the Belarus regime was made on 9 August 2021, and a further package of 9 designations followed on 2 December 2021, which included 8 Belarusian individuals responsible for repression and human rights violations, and an asset freeze on OJSC Belaruskali, one of the world's largest producers of potash fertiliser.

Engagement

Domestic engagement

This year, in coordination with HMG partners, we have engaged with over 1,000 stakeholders through regular roundtable discussions with NGOs; industry associations; a webinar for all sectors relating to Belarus sectoral sanctions; and presented on the UK sanctions framework at external industry events. We received positive feedback on these interventions and have answered questions to clarify details on sanctions policy and implementation.

We have published and maintained all sanctions legislation, statutory guidance, and associated documents on GOV.UK.

Parliamentarians from both Houses regularly engage with sanctions via Parliamentary debates and to approve new sanctions legislation. In 2021, UK Parliament has debated and approved the [Global Anti-Corruption sanctions regime](#) (May), the [Myanmar regime](#) (June), and the [additional Belarus measures](#) (November). Other debates unrelated to approving new sanctions legislation centred on evaluating the effectiveness of the Global Human Rights regime, and the possibility of sanctions on China in response to the Uighur crisis. The FCDO also welcomes dialogue with the new All-Party Parliamentary Group on Magnitsky Sanctions.

International engagement

International cooperation will remain at the heart of UK sanctions policy, as sanctions are most effective when implemented and enforced collectively.

The UK aims to take on a distinctive leadership role as a credible, effective and collaborative sanctions partner. With an independent sanctions policy, there are new opportunities for the UK to make significant investments in bilateral and

multilateral relationships. This year, the UK has used its G7 Presidency to increase cooperation on sanctions, engaged bilaterally and provided training across Europe, North America and the Indo-Pacific, and advised countries establishing their own autonomous sanctions regimes.

Case study 3: Global Anti-Corruption

On 26 April 2021 HMG launched the new Global Anti-Corruption sanctions regime, a significant step forward for the UK's global leadership in combatting corruption around the world and promoting fair and open societies. This sanctions regime allows the Government to impose asset freezes and travel bans on those involved in serious corruption around the world, and sends a message that the UK will not tolerate those individuals or the proceeds of corruption coming into our country. The measures were taken in alliance with the US, which also announced sanctions against those involved in corruption.

The scope of the regime is deliberately targeted, so the UK can effectively sanction corrupt actors and their enablers. We made immediate use of this new tool on 26 April 2021 and announced designations of 22 individuals who have been involved in serious corruption from 6 countries. On 22 July 2021, HMG took further action to combat corruption around the world and announced the second set of Global Anti-Corruption sanctions designations on five individuals involved in serious corruption in Equatorial Guinea, Zimbabwe, Venezuela and Iraq.

We will continue to pursue designations to prevent and combat serious corruption and promote our values around the world.

UK Sanctions Timeline: End of Transition Period to December 2021

- 31 Dec 2020** ■ **1084 designations** formerly implemented by EU regimes made in UK law.
- Feb 2021** ■ **4 UK designations** under the Zimbabwe regime. (01/02)
 ■ **27 UK designations** under the Belarus regime. (18/02)
 ■ **1 UN designation** under the Yemen regime. (25/02)
 ■ **3 UN designations** under the Somalia regime. (26/02)
- Mar 2021** ■ **6 UK designations** under the Syria regime. (15/03)
 ■ **6 UK designations** under the Global Human Rights regime. (22/03) & (25/03)
- Apr 2021** **26 April**
 The Global Anti-Corruption Sanctions Regulations 2021 are laid in Parliament to enable the Government to impose asset freezes and travel bans on those involved in serious corruption around the world.
- 29 April**
 The Myanmar (Sanctions) Regulations 2021 are laid in Parliament, revoking and replacing the regime to widen the designation criteria in response to the coup.
- **1 UK designation** under the Global Human Rights regime. (01/04)
 ■ **22 UK designations** under the Global Anti-Corruption regime. (26/04)
 ■ **23 UK designations** under the Myanmar regime. (29/04)
- May 2021** ■ **3 UK designations** under the Libya regime. (13/05)
 ■ **1 UK designation** under the Myanmar regime. (17/05)
- Jun 2021** ■ **1 UN designation** under the ISIL (Da'esh) & Al Qaeda regime. (17/06)
 ■ **13 UK designations** under the Belarus regime. (21/06)
 ■ **3 UK designations** under the Myanmar regime. (21/06)
- Jul 2021** **12 July**
 The Somalia (Sanctions) (EU Exit) (Amendment) Regulations 2021 are laid in Parliament, to impose additional measures to limit the import of Improvised Explosive Device components into Somalia, in line with UN obligations.
- **1 UK designation** under the Belarus regime. (21/07)
 ■ **5 UK designations** under the Global Anti-Corruption regime. (22/07)

Aug 2021 9 August

The Republic of Belarus (Sanctions) (EU Exit) (Amendment) Regulations 2021 are laid in Parliament to impose trade, financial and aviation measures against the Belarusian authorities.

- **1 UK designation** made under the Belarus regime. (09/08)
- **8 UK designations** made under the Chemical Weapons regime (20/08)

Sep 2021 16 September

The Democratic Republic of Congo (Sanctions) (EU Exit) (Amendment) Regulations are laid in Parliament to add a designation criterion for persons involved in attacks against medical or humanitarian personnel, in line with UN obligations.

- **2 UK designations** under the Myanmar regime (2/09)

Oct 2021 14 October

The Republic of Belarus (Sanctions) (EU Exit) (Amendment) (No.2) Regulations 2021 are laid in Parliament to impose trade, financial and aviation measures against the Belarusian authorities and correct minor errors made in the previous Belarus regulations.

- **1 UN designation** under the Libya regime. (25/10)

- Nov 2021**
- **3 UN designations** under the Yemen regime (09/11)
 - **8 UK designations** under the Nicaragua regime (15/11)
 - **1 UN designation** under the ISIL/AQ Regime (23/11)

- Dec 2021**
- **1 UK designation** under the Global Human Rights regime. (10/12)
 - **4 UK designations** under the Myanmar regime. (10/12)
 - **9 UK designations** under the Belarus regime (02/12)
 - **1 UN designation** under the Central African Republic regime (21/12)
 - **1 UN designation** under the ISIL/AQ Regime (21/12)

13 December

The Burundi (Sanctions) Regulations 2021 are laid in Parliament to remove one of the purposes of the regime, as a result of the annual review (see page 11).

Summary of Annual Regime reviews

The Sanctions Act provides the legal framework for the UK to impose, vary or revoke sanctions both autonomously and in compliance with our UN obligations.

One of our statutory obligations under the Sanctions Act, outlined in section 30, requires the appropriate Minister to review each set of regulations to assess whether they are still appropriate for the purpose stated in them. If the purpose stated is other than compliance with a UN obligation or other international obligation, any review must also include consideration of:

- a) Whether carrying out that purpose would meet any one or more of the conditions in paragraphs (a) to (i) of section 1(2) of the Sanctions Act;
- b) Whether there are good reasons to pursue that purpose; and
- c) Whether the imposition of sanctions is a reasonable course of action for the purpose.

The Minister must lay before Parliament a report containing conclusions of the review, the reasons for those conclusions, and a statement of any action that that Minister has taken or proposes to take. These reviews must be carried out within one year of the regulations being made or within one year of the previous report on the relevant regulations being laid before Parliament.

Annexes A-Z, below, contain the reviews for 33 of HMG's sanctions regimes, for the period November 2020 to November 2021. All but one of the 33 reviews conclude that the Regulations remain appropriate for their purposes and the regime should be maintained. HM Treasury has also reviewed the Counter-Terrorism (Sanctions) (EU Exit) Regulations 2019 and laid this separately.

Notably, the review of the Burundi (Sanctions) (EU Exit) Regulations 2019 concluded that

the Regulations remain appropriate for the purposes in regulation 4(a), (c) and (d) of the Regulations because the UK remains concerned about respect for democracy, rule of law and governance; space for civil society actors; human rights; and longer-term stability in Burundi. However, the Regulations were no longer appropriate for the purpose in regulation 4(b), as the political situation has evolved. The purpose in regulation 4(b) of the 2019 Burundi Regulations was to encourage the Government of Burundi to 'participate in negotiations with its political opponents in good faith to bring about a peaceful solution to the political situation in Burundi'. Following elections in Burundi in May 2020, there was a managed, broadly peaceful transfer of power to a new President, and although political tensions remain, there is no longer an immediate political crisis. As such the Regulations were no longer appropriate for all of their purposes, and HMG took action on 13 December 2021 to modify the Burundi regime to remove the purpose found in regulation 4(b).



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