



Frozen Assets Reporting (2023)

Background

1. Financial sanctions legislation applicable in the UK requires that all funds or economic resources belonging to, owned, held or controlled by a designated person must be frozen. All sanctions regimes are implemented through UK regulations, with the majority of UK financial sanctions regimes implemented through the Sanctions and Anti Money Laundering Act 2018 (the Sanctions Act). Under this legislation HM Treasury, through its Office of Financial Sanctions Implementation (OFSI), can request information you may possess for the purpose of, among other things, monitoring compliance with the legislation.

Frozen asset reporting (2023)

2. Every year HM Treasury carries out a review to update our records to reflect any changes to these assets during the reporting period. As part of this review, HM Treasury request all persons that hold or control funds or economic resources belonging to, owned, held, or controlled by a designated person, to provide a report to us with the details of these assets. **If you possess this information or have previously reported frozen assets, you are requested to complete such a report and submit it to OFSI by Friday 10 November 2023.**
3. Your report must include details of all funds or economic resources frozen in the UK as well as those overseas where these funds or economic resources are subject to UK financial sanctions legislation. Accounts blocked solely by other national authorities (e.g. OFAC) do not need to be reported to us. Your report to OFSI must include the value of all such assets as at close of

business on **Friday 29 September 2023**. Please ensure no reports are submitted before this date. For a general description of what should be reported please see the Annex to this Notice.

4. All returns need to be made, in the form of a completed template from the GOV.UK website, to ofsi@hmtreasury.gov.uk. The template can be found here:

<https://www.gov.uk/government/publications/annual-frozen-asset-review-and-reporting-form>

5. There is no need to provide a nil return to OFSI if you do not hold or control funds or economic resources belonging to, owned, held, or controlled by a designated person. However, if you submitted a report last year (other than a nil return) and no longer hold those assets, please submit a nil return.

What you should do now

6. You should identify all of the funds or economic resources belonging to, owned, held or controlled by designated persons that are held or controlled by you. You should report all identifying information concerning those funds or economic resources, along with their value as at Friday 29 September 2023, to OFSI no later than **Friday 10 November 2023**.

7. Where the funds or economic resources relate to shares, securities, or other debt or payment instruments, the GBP value should similarly be provided in your report.

8. You should ensure that one person in your organisation is responsible for collating and sending in your return to avoid duplication.

9. Failure to comply with financial sanctions legislation or seeking to circumvent its provisions is an offence. Guidance on OFSI's enforcement can be found here:

<https://www.gov.uk/government/publications/monetary-penalties-for-breaches-of-financial-sanctions>

10. If you have a question regarding this exercise you should contact OFSI immediately by emailing: ofsi@hmtreasury.gov.uk.

Ongoing compliance

11. Separately to the above, you are required on an ongoing basis to:

- I. check whether you maintain any accounts or hold any funds or economic resources for persons listed on HM Treasury's Consolidated List of asset freeze targets and any entities owned or controlled by them;
- II. freeze such accounts, and other funds or economic resources;
- III. refrain from dealing with the funds or economic resources or making them available directly or indirectly to or for the benefit of designated persons unless licensed by OFSI or an exception applies;
- IV. report any findings to OFSI, together with any additional information or other matter on which the knowledge or suspicion is based. Where the information relates to funds or economic resources, the nature and quantity should also be reported; and
- V. provide any information concerning the frozen funds or economic resources of designated persons that OFSI may request.

12. Your reporting obligations to OFSI are set out in Chapter 5 of OFSI's Financial Sanctions: general guidance: <https://www.gov.uk/government/publications/financial-sanctions-faqs>.

13. You should not wait for the reporting deadline above to report newly frozen funds or economic resources to OFSI. All newly frozen funds or economic resources must be reported immediately.

Data protection

14. Information received by OFSI may be disclosed to third parties in accordance with provisions set out in the Information and Records part of the relevant regulation and in compliance with applicable data protection laws.

Further information

15. For more information, please see OFSI's guide to financial sanctions: <https://www.gov.uk/government/publications/financial-sanctions-faqs>.

Enquiries

16. Non-media enquiries, reports and licence applications should be addressed to:

Office of Financial Sanctions Implementation
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

E-mail: ofsi@hmtreasury.gov.uk

17. Media enquiries about how financial sanctions are implemented in the UK should be addressed to HM Treasury Press Office on 020 7270 5238.

18. Media enquiries about the sanctions measures themselves should be addressed to the Foreign, Commonwealth and Development Office Press Office on 020 7008 3100.

Annex to Notice

Designated persons

For the purpose of this Notice a designated person is an individual, entity or body, listed under UK legislation as being subject to financial sanctions.

The list of designated persons can be found on OFSI's consolidated list of asset freeze targets here:

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

Note that the financial sanctions also apply to persons and entities that are owned or controlled, directly or indirectly, by a designated person. Those persons or entities may not be designated in their own right, so their name may not appear on the consolidated list. However, those persons or entities are similarly the subject of the financial sanctions.

Economic resources

Economic resources means assets of every kind, whether tangible or intangible, movable or immovable, (such as goods, property, or rights) which are not funds themselves but which can be used to obtain funds, goods or services. This includes but is not limited to:

- precious metals or stones
- antiques
- vehicles
- property

Funds

Funds means financial assets and benefits of every kind, including but not limited to:

- cash, cheques, claims on money, drafts, money orders and other payment instruments
- deposits with financial institutions or other entities, balances on accounts, debts and debt obligations
- loans and mortgages
- publicly and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivatives contracts
- interest, dividends or other income on or value accruing from or generated by assets
- credit, right of set-off, guarantees, performance bonds or other financial commitments
- letters of credit, bills of lading, bills of sale
- documents evidencing an interest in funds or financial resources
- any other instrument of export-financing

Goods

Goods generally means items, materials and equipment.

Cryptoassets

Cryptoassets – Statutory definitions of “funds” and “economic resources” are wide, as referenced above. Cryptoassets are considered to be covered by these definitions and are therefore caught by the financial sanctions restrictions.

Further information on dealing with funds and economic resources can be found in OFSI’s general guidance to financial sanctions:

<https://www.gov.uk/government/publications/financial-sanctions-faqs>

Office of Financial Sanctions Implementation

HM Treasury

07/09/2023