



One Year of the Office of Trade Sanctions Implementation (OTSI)

4 December 2025



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Introduction

The Office of Trade Sanctions Implementation (OTSI), part of the Department for Business and Trade (DBT), was launched in October 2024 to strengthen the implementation and enforcement of trade sanctions in the UK. This update provides an overview of OTSI's activities within its first year of operation, alongside a forward look to OTSI's future priorities. All data provided in

this report relates to the period of **10 October 2024 to 9 October 2025**, unless specified otherwise.

A detailed annual review setting out OTSI's activities to the end of financial year 25-26 will be published in 2026. That review will include more information on OTSI's performance during that period.





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OTSI's first year

2.1 OUR POWERS

OTSI launched on 10 October 2024, the day the Trade, Aircraft and Shipping Sanctions (Civil Enforcement) Regulations 2024 (TASSCER) came into force. This established OTSI as the UK's civil enforcement body for trade sanctions. OTSI is responsible for enforcing sanctions relating to:

- ▶ The provision or procurement of sanctioned services;
- ▶ The movement, making available, or acquisition of sanctioned goods or technology outside the UK;
- ▶ Ancillary services associated with the movement, making available, acquisition of or transfer of sanctioned goods or technology outside of the UK.

We work closely with other bodies, including HM Revenue & Customs (HMRC), which has criminal enforcement responsibility for trade sanctions and is the sole enforcement body for trade sanctions where goods and technology cross the UK border. Where our investigations indicate that a breach merits consideration for criminal enforcement, we may refer cases to HMRC.

However, OTSI is much more than simply an enforcement body for trade sanctions. Our goal is to prevent breaches of trade sanctions before they happen. We support businesses with compliance, including by producing guidance, via industry engagement and outreach and in administering the licensing process.

2024-25

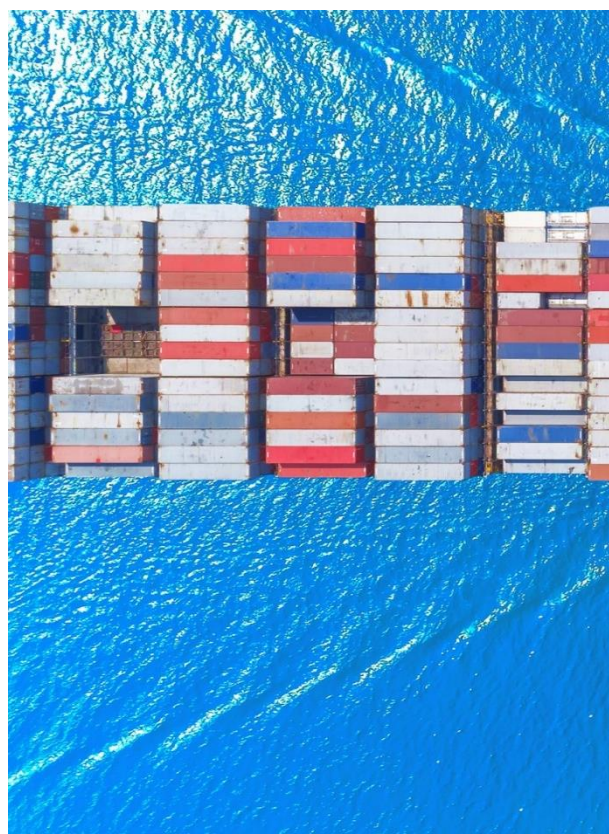
OTSI launched

ON 10 OCTOBER 2024

Civil monetary penalty powers

IN FORCE

OTSI has been established as the UK's civil enforcement body for trade sanctions



2.2 OUR CAPABILITY

Significant progress has been made in building and developing OTSI's core capabilities and functions. Our staff bring a wide range of skills and experience, coming from backgrounds ranging from law enforcement to private sector compliance. As a new organisation, we take a learning-led approach, building and sharing expertise as

we mature. We are also investing in tools and resources to maximise OTSI's capacity, including technology that will improve automation and support data-led investigations.

2.3 OUR OPERATIONAL FUNCTIONS

Licensing

Effective licensing is key to maximising the effectiveness of UK trade sanctions and promoting our national security and foreign policy goals, as well as supporting UK businesses to trade with confidence. OTSI is currently responsible for licensing the provision of professional and business services and other standalone services prohibited under the UK's trade sanctions, with officials making decisions on behalf of the Secretary of State for Business and Trade who is responsible for decisions to grant or refuse a licence.

OTSI has developed a rigorous licensing process, through which we assess whether to license otherwise prohibited trade on a case-by-case basis, against the applicable licensing considerations and the purposes of the sanctions as set out in legislation. We also consult with other government departments with relevant expertise to inform our licensing assessments.

We've received 60 licence applications up to 9 October 2025, the vast majority of which concern the planned provision of professional and business services ordinarily prohibited under the Russia (Sanctions) (EU Exit) Regulations 2019. Most of these were submitted via a new application portal on GOV.UK.

60 LICENCE APPLICATIONS
RECEIVED

Licence application outcomes

Granted in full or partially granted	12
Refused	3
Withdrawn by the applicant	7
Applicant informed no licence is required	1
Application submitted in error	5

The varying complexity of applications is reflected in the time that it takes to reach a licence decision. The average timeframe for receiving an outcome on applications is 82 working days for cases submitted directly to OTSI, which includes the time taken by applicants to reply to requests for information.

We intend to publish further guidance on the application and assessment process shortly to help applicants better understand our processes and improve the information they provide, which in turn is intended to help expedite the licence assessment process.

Enforcement and compliance

The effectiveness of UK sanctions – and the extent to which sanctions support our foreign policy objectives – is underpinned by robust enforcement, which can help businesses to understand how to meet their sanctions obligations and deter those determined to evade and subvert our sanctions. OTSI is committed to taking appropriate and proportionate action where businesses or individuals are breaching our sanctions or seeking to circumvent them, and to using enforcement action to highlight compliance lessons for industry. OTSI is equipped with a suite of civil enforcement tools, including the ability to impose civil monetary penalties. These powers were given to the Secretary of State through TASSCER.

Reporting by industry is a key source of information on potential sanctions breaches. While providers of financial and legal services are under specific reporting obligations, we encourage anyone who thinks they or anyone else has breached trade sanctions to make a report to OTSI.

OTSI determines what enforcement action is appropriate and proportionate on a case-by-case basis, and we have published [guidance](#) on how we assess suspected breaches.

OTSI's Compliance and Enforcement unit has received reports or referrals relating to 146 potential breaches of trade sanctions in our first year. The majority of reports received were reported and submitted by the financial services sector in line with mandatory reporting obligations to report potential breaches of trade sanctions in the course of processing transactions or providing other financial services to businesses. 16% of reports were reported by sectors to which mandatory reporting obligations do not currently apply.

146

REPORTS OR REFERRALS OF
POTENTIAL BREACHES OF
TRADE SANCTIONS

Most reports were submitted via our bespoke Report a Breach tool on GOV.UK which has been designed to help users to submit suspected breach reports and provide OTSI with sufficient information to progress the assessment of the report.

While OTSI has not yet imposed any civil monetary penalties, we have a number of investigations underway. We have also referred a significant number of cases to HMRC and other government partners and shared information with international counterparts, in line with our powers under TASSCER. Further detail on OTSI's enforcement activity to date will be provided in OTSI's 2026 Annual Review. OTSI is also committed to using its power to publish reports about breaches to support businesses to improve compliance and deter non-compliance.

In 2025, secondary legislation was laid before Parliament helping workers access employment protections when making sanctions-related disclosures to DBT, including OTSI. These changes came into effect in June 2025 for England, Scotland, and Wales, and in September 2025 for Northern Ireland. This legislation will help whistleblowers qualify for protections at work when disclosing information about financial, transport, and certain trade sanctions to the relevant department.

Employment protections

for sanctions-related
disclosures to DBT
introduced

2.4 OUR ENGAGEMENT

Working with UK businesses

OVER
200Stakeholder queries
answered

In the run-up to launch and since, OTSI has led a wide-ranging programme of activity to raise awareness of

OTSI's role and understanding of trade sanctions, and to support business compliance. We've met stakeholders in over 200 engagements, through forums, workshops, webinars, bilateral meetings and conferences, and handled over 210 stakeholder queries.

From March 2025, we launched a free shared subscription platform alongside the Foreign, Commonwealth & Development Office (FCDO) and the Office of Financial Sanctions Implementation (OFSI), allowing stakeholders to sign up once and receive sanctions updates from all three bodies.

SHARED E-ALERT SUBSCRIPTION PLATFORM LAUNCHED IN MARCH 2025

We have introduced new guidance on how OTSI delivers its responsibilities and uses its powers, as well as on how to help businesses identify common tactics in Russian sanctions evasion and circumvention and support enhanced due diligence. We have also conducted targeted outreach to support businesses to comply with sanctions and help them to spot circumvention 'red flags'. We have also built our understanding of the risks of circumvention in relation to services and how services can support the circumvention of goods.

"We have also conducted targeted outreach to support businesses to comply with sanctions and help them to spot circumvention 'red flags'."

We have also published blog posts which share details on how trade sanctions can be navigated with guidance, best practice case studies and infographics.

Working with international partners

**OVER
200**

Engagements
domestically and
internationally

Internationally, we've invested in building and strengthening relationships with partners across the US, Europe and G7 to maximise the

collective impact of our trade sanctions. We have developed strong working partnerships through international dialogue, including sharing lessons and exchanging good practice, as well as case referrals. Examples of our international engagement include taking part in a series of formal quarterly exchanges, alongside FCDO and OFSI, with the US, EU and Japan and separately with the European Commission's Directorate-General for Financial Stability, Financial

Services and Capital Markets Union (DG FISMA).

We have embarked on a series of international engagements as part of the Government's sanctions technical assistance programme, sharing expertise and providing advice to partners setting up and bolstering sanctions implementation and enforcement functions. This includes the Crown Dependencies and Overseas Territories, and Cyprus. A key priority is to increase our engagement globally and support the development of robust, coordinated sanctions regimes worldwide.

Working across government

This year, we contributed to a cross-government review of sanctions implementation and enforcement led by FCDO. The review considered ways to further strengthen the UK's enforcement of sanctions and was informed by insights from external sanctions experts, including from industry, academia, think tanks, parliamentarians and international partners.

We are working closely with FCDO and other departments, including OFSI, HMRC, the National Crime Agency (NCA) and the Department for Transport (DfT), to take forward actions from the review. This includes developing the Government's sanctions enforcement strategy and creating clearer and more accessible guidance.

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Looking to the future

Building on these firm foundations, we will continue to expand our horizons and enhance our capabilities. Our key priorities for achieving this are outlined below, with further detail to be provided in OTSI's 2026 Annual Review. We are continuing to train and upskill staff so that we are appropriately resourced and equipped to deliver these priorities.

3.1 MORE SUPPORT FOR BUSINESS

We will engage with businesses from a broader range of industries and provide them with accessible, better targeted guidance to support compliance with trade sanctions and increase awareness of circumvention risks. We will review existing trade sanctions guidance, identify areas that we can consolidate and develop new products to support businesses.

“We want to better support businesses outside London...”

We want to better support businesses outside London, building on the success of our first trade sanctions roadshow in Birmingham in July 2025. We will continue our trade sanctions roadshow series, visiting different areas of the UK to raise awareness of trade sanctions.

3.2 EXPANDING OUR LICENSING REMIT

Alongside the expansion of our business engagement to more sectors, we are also entering a new phase for trade sanctions implementation with an expansion of OTSI's licensing remit. In early 2026, OTSI will take on responsibility for all export sanctions licensing, with the exception of activities which involve goods and technology subject to strategic export controls - these will remain with the Export Control Joint Unit (ECJU). Exporters will be informed when this change will happen and what it will mean for them. We will strive for minimal impact on businesses using the service.

3.1 MORE PROACTIVE ENFORCEMENT

Delivering effective and appropriate enforcement action will continue to be a priority. To support this, we will be developing our capabilities to use actionable intelligence to support proactive compliance monitoring. We are also looking at how we can better share and join up intelligence analysis across government departments.

“Delivering effective and appropriate enforcement action will continue to be a priority”



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Find out more

4.1 CONTACT US

If you have a general query relating to trade sanctions, [contact us](#).

If you are unclear whether action you are considering, or have already taken, could breach the regulations, you should consider seeking independent legal advice. If you think you, or someone else, may have breached trade sanctions, you should [report a suspected breach of trade sanctions](#). If you're a provider of legal or financial services (also known as a relevant person), you have a legal obligation to report a suspected breach of the trade sanctions that are enforced by OTSI.

[Apply for a licence](#) to provide sanctioned trade services.

Find out more about the work of the [Export Control Joint Unit](#).

Find out about [how to import goods under national or UN-level import controls, including sanctioned goods](#).

4.2 GUIDANCE

Further sanctions content and guidance can be found on the [UK Sanctions GOV.UK page](#).

We have published guidance on [how we assess suspected breaches](#).

We have published guidance on [countering Russian sanctions evasion](#) to support businesses in understanding circumvention practices to reduce their risk.

Department for Business and Trade

The Department for Business and Trade is an economic growth department. We ensure fair, competitive markets at home, secure access to new markets abroad and support businesses to invest, export and grow. Our priorities are the industrial strategy, make work pay, trade and the plan for small business.

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Published by
Department for Business and Trade
4 December 2025