

UK Sanctions

Plain-Language Guide

What UK Sanctions Are, How They Work, and What They Mean for Your Organisation

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Not legal advice. Verify against current official publications before use in compliance decisions.

Introduction: What Are UK Sanctions and Why Do They Exist?

UK sanctions — also called "restrictive measures" — are tools the British government uses to influence the behaviour of governments, organisations, and individuals who are causing harm on the world stage. Sanctions can target countries, companies, or specific people. The goal is to apply pressure that changes behaviour, denies resources, or signals disapproval — without using military force.

The UK has operated its own autonomous sanctions framework since 31 December 2020 (the end of the Brexit transition period), when the [Sanctions and Anti-Money Laundering Act 2018 \(SAMLA 2018\)](#) came fully into force. Before that, UK sanctions ran through the EU system.

As of May 2026, the UK operates **28 active sanctions regimes** covering specific countries and specific types of harmful behaviour (terrorism, human rights abuses, cyber-attacks, corruption). Russia sanctions — the UK's largest and most complex program — are covered in a **dedicated Russia sanctions guide from mrsanctions.com**. This guide covers how the UK sanctions system works as a whole.

At a glance:

Type	What it targets	Examples
Country-specific (geographic)	Governments, officials, companies linked to a named country	Russia, Belarus, Iran, Myanmar, North Korea
Thematic	People anywhere involved in specific harmful acts	Terrorism, human rights abuses, cyber-attacks, corruption, trafficking
UN-mandated	Entities listed by the UN Security Council, transposed into UK law	ISIL/AI-Qaeda, Taliban, North Korea (nuclear)

Essential Concepts — A Glossary

If you are new to sanctions, these are the terms you will encounter most often.

Asset freeze — A prohibition on doing anything with a designated person's money, bank accounts, shares, property, or other assets. The assets must stay where they are — nothing can move, be transferred, or be used.

Making funds available — Sending money, goods, services, or any resource to a designated person — even indirectly. This is prohibited separately from the asset freeze: you cannot give a designated person anything new, even if you don't already hold their assets.

Designated person — An individual, company, ship, or other entity that has been formally listed under a UK sanctions regime. Once designated, the sanctions measures that apply to them take effect immediately.

Specified ship — A vessel listed under a sanctions regime and subject to transport restrictions — prevented from entering UK ports or receiving specified services. Ships appear on the UK Sanctions List separately from designated persons.

UK Sanctions List — The single official list of all designated persons and specified ships under all UK sanctions regimes. Maintained by the FCDO. This is the list your business must check. As of 28 January 2026, it is the only source — the old OFSI Consolidated List has closed.

Director disqualification sanction — A uniquely British tool: a designated individual cannot act as a company director, secretary, or manager of any UK-incorporated company. No equivalent exists in EU or US sanctions law.

Trade sanction — A restriction on importing, exporting, or otherwise transferring specified goods, technology, software, or services. Applies to categories of items, not just to listed persons.

Travel ban (immigration sanction) — A designated individual cannot enter or remain in the UK. Applies to natural persons only.

Transport sanction — A restriction on specified ships or aircraft — preventing them from using UK ports, territorial waters, or airspace.

Ownership and control — Sanctions on a designated person automatically extend to companies they own or control — even if those companies are not themselves listed. "Control" is broader than just owning more than 50% of shares.

Licence — Written permission from OFSI (for financial sanctions) or OTSI (for trade sanctions services) to carry out an activity that would otherwise be prohibited. Distinct from an exception.

Exception — A provision in the sanctions regulations that automatically permits a specific type of activity — without needing a licence. Examples: paying basic living costs for a listed individual; completing a pre-designation contract.

OFSI — The Office of Financial Sanctions Implementation (part of HM Treasury). The civil enforcement authority for UK financial sanctions. Issues financial sanctions licences. Contact for suspected financial sanctions breaches.

OTSI — The Office of Trade Sanctions Implementation (part of the Department for Business and Trade). Launched October 2024. The civil enforcement authority for trade sanctions (services and cross-border goods not at the UK border). Issues trade sanctions services licences.

NCA — The National Crime Agency. Investigates and prosecutes criminal breaches of financial sanctions.

HMRC — HM Revenue & Customs. Criminally enforces trade sanctions at the UK border (goods crossing into or out of the UK).

Strict liability — Financial sanctions breaches in the UK do not require intent. If a breach occurs — even accidentally — it is a breach. Whether criminal prosecution or civil penalty follows depends on intent and culpability, but the breach is still a breach.

Reasonable grounds to suspect — The threshold that triggers compliance obligations. If an honest, reasonable person in your position would have suspected they were dealing with a designated person, you are obliged to act — even if you had no actual knowledge.

SAMLA 2018 — The Sanctions and Anti-Money Laundering Act 2018 — the primary UK law that enables sanctions. Does not impose sanctions itself; gives ministers the power to create sanctions regimes through statutory instruments (SIs).

How UK Sanctions Are Created — in Plain English

The UK creates sanctions through a two-step process that can happen quickly — much faster than most countries.

Step 1: Parliament Passes the Enabling Act (Done Once)

The [Sanctions and Anti-Money Laundering Act 2018 \(SAMLA 2018\)](#) gives UK ministers a standing power to create sanctions regimes by making "statutory instruments" (SIs) — a type of secondary legislation. Parliament does not need to pass a new act of Parliament each time the UK wants to create a new sanctions program or list a new person. This makes the UK system fast and flexible.

Step 2: Ministers Create Each Regime by Statutory Instrument

Each individual sanctions program is set out in its own SI. The SI defines: who qualifies to be designated, what sanctions apply (asset freeze, travel ban, trade restrictions, etc.), any exceptions, and what licences OFSI and OTSI can grant. The SI is published and comes into force immediately or on a specified date. New designations are published in the **UK Sanctions List**, which can be updated any working day.

IN PRACTICE: There is no single "UK Sanctions Act." When a new country or person is sanctioned, look for the specific SI for that regime and the updated UK Sanctions List — not for new primary legislation. The operative rules for compliance are always in the SI.

This is very different from the EU system (which requires unanimous agreement of 27 governments) or the US system (which often requires Congressional action). The UK government can impose significant new sanctions within hours of a triggering event.

SPEED OF UK SANCTIONS CHANGES: The UK can add new designations any working day without advance notice. The UK Sanctions List is updated within one working day for UN listings and within three working days for other changes. Your compliance screening process must be current — stale data creates legal exposure.

KEY COMPLIANCE TAKEAWAY: SAMLA 2018 enables the regime; the specific SI creates the binding rules; and the UK Sanctions List names the designated persons. All three layers matter. Sign up for UK sanctions email alerts to get notified of changes.

Who Enforces UK Sanctions — There Is No Single UK OFAC

One of the most important things to understand about UK sanctions is that enforcement is split across multiple government bodies depending on which type of sanction is involved. This is different from the US, where OFAC handles both financial and many trade sanctions enforcement in one agency.

If you have a question about...	Contact...
Financial sanctions: an asset freeze, a frozen bank account, a suspicious customer who might be designated	OFSI (Office of Financial Sanctions Implementation, HM Treasury): ofsi@hmtreasury.gov.uk
Trade sanctions: services, exporting/importing goods without crossing the UK border	OTSI (Office of Trade Sanctions Implementation, DBT)
Goods crossing into or out of the UK at the border	HMRC
Criminal prosecution of a financial sanctions breach	National Crime Agency (NCA)
Travel ban enforcement	Home Office
Ship or aircraft movement restrictions	Department for Transport
Director disqualification sanction	Insolvency Service
General sanctions policy or designation questions	FCDO (Foreign, Commonwealth & Development Office)

The [OFSI blog](#) and the [OTSI blog](#) publish practical guidance, case studies, and updates on both enforcement and licensing.

KEY COMPLIANCE TAKEAWAY: Directing your query or licence application to the wrong body wastes time and may signal weak compliance governance. Know which body owns which type of sanction before you need them.

Five Things UK Sanctions Can Prohibit Your Organisation From Doing

1. You Cannot Touch a Designated Person's Assets

If someone is listed on the UK Sanctions List with an asset freeze, their money, property, bank accounts, shares, and other assets must be frozen immediately if they come under your control. You cannot transfer, move, use, or do anything with them. If the assets are in your bank or under your management, you must freeze them and report to OFSI.

Example: A sanctioned Russian businessman has a UK current account and a property portfolio held through a UK company. You freeze both and report to OFSI.

2. You Cannot Give Anything to a Designated Person

Even if you don't hold their assets, you cannot "make funds or economic resources available" to a designated person — directly or indirectly. This covers: payments, services, goods, professional advice, anything of value. Providing assistance through a third party who then benefits the designated person is also prohibited.

Example: A designated Iranian official approaches your law firm. You cannot provide legal advice, even if they offer to pay cash. Providing the service itself makes economic resources (your expertise) available to them.

3. You Cannot Import or Export Prohibited Goods or Services

Trade sanctions restrict specific categories of goods and services — regardless of whether the specific buyer or seller is listed. If a goods category is prohibited (e.g., dual-use technology to a sanctioned country), the restriction applies even if your counterparty has a clean name-check result.

Example: A company not listed on the UK Sanctions List asks you to export industrial electronics to Russia. The goods fall within prohibited technology categories under Russia trade sanctions. The deal is prohibited even though the buyer is not designated.

THE MOST COMMON COMPLIANCE MISTAKE: A clean result when screening against the UK Sanctions List does not mean a transaction is permitted. Trade sanctions apply to categories of goods and services regardless of who the buyer is. Always check the regime's trade restrictions as well as the names list.

4. You Cannot Let a Designated Person Run Your Company

This is unique to the UK. If a person is subject to a director disqualification sanction, they cannot be a director, company secretary, or manager of any UK-incorporated company — and your company cannot employ them in such a role. This applies to your existing directors and anyone you are considering appointing.

Example: Your UK subsidiary proposes to appoint a new director. Routine screening reveals he is subject to a UK director disqualification sanction. The appointment cannot proceed.

5. You Cannot Ignore Who Owns Your Counterparty

If a designated person owns or controls a company — even if that company is not itself listed — the asset freeze and other prohibitions extend to that company automatically. You need to look through the ownership structure of every significant counterparty.

"Ownership" generally means more than 50% of shares or voting rights. "**Control**" is broader — it includes the right to appoint the majority of the board, or the factual ability to determine the company's key business decisions. A 40%-owner with board appointment rights may still be in control for sanctions purposes.

Example: Entity X is not on the UK Sanctions List. However, a designated Russian oligarch owns 60% of Entity X. Entity X is sanctioned by operation of law. Dealing with Entity X is a breach.

KEY COMPLIANCE TAKEAWAY: Complete UK sanctions compliance requires: (1) screening the UK Sanctions List, (2) checking trade and financial restrictions in the relevant SI, (3) ownership/control analysis, and (4) for financial services, checking the Russia Entities List separately. Missing any of these creates exposure.

UK Sanctions That Apply Everywhere in the World

Most people think of sanctions as country-specific — Russia sanctions, Iran sanctions. But the UK operates seven thematic (or "horizontal") sanctions regimes that can target any person, anywhere, based on what they have done. A counterparty from a country with no country-specific UK sanctions could still be listed under a thematic regime.

ISIL/Al-Qaeda (UN-Mandated List)

What it is: The UK transposes the UN Security Council's list of people linked to ISIL (Da'esh) and Al-Qaeda. UK must update the Sanctions List within one working day of UN decisions.

Why it matters to you: Any financial institution, professional services firm, or business could unknowingly encounter a listed ISIL/Al-Qaeda financier as a customer or business partner. Geographic screening alone will not catch this.

Counter-Terrorism Sanctions (UK Autonomous)

What it is: The UK can designate terrorist individuals and organisations independently of the UN. Used against Hamas leaders and financiers (after October 2023), Wagner Group backers, and — since 2024-25 — domestic extremists including a suspected New IRA financier and an extreme right-wing group.

Why it matters: Proscription under the Terrorism Act 2000 and a counter-terrorism sanctions designation are different things, applied by different bodies. **An organisation banned under the Terrorism Act is not automatically a designated person under the counter-terrorism sanctions regime, and vice versa.** Screen both.

Chemical Weapons Sanctions

What it is: Targets anyone responsible for developing, producing, stockpiling, or using chemical weapons. Includes scientists, procurement networks, and state officials.

Why it matters: Used to designate Russian and Syrian actors. Coordinated with EU, US, and allies.

Cyber Sanctions

What it is: Targets hackers, state cyber operatives, and their financial backers. In 2024-25, 25 new designations were made — 23 related to ransomware operations.

Why it matters: Technology companies, cryptocurrency exchanges, and payment processors face greatest exposure. A ransomware group operator receiving a ransom payment may be a designated person under this regime.

Global Human Rights Sanctions (UK Magnitsky Regime)

What it is: The UK's version of the US Magnitsky Act. Targets anyone, anywhere, responsible for serious human rights violations — genocide, crimes against humanity, torture, arbitrary detention, enforced disappearance, sexual violence in conflict.

Why it matters: Listings cover officials from Russia, China, Saudi Arabia, Myanmar, Iran, Pakistan, Belarus, and many others. Assets held in the UK are frozen regardless of where the human rights violation occurred.

Global Anti-Corruption Sanctions

What it is: A regime targeting individuals involved in serious corruption — bribery, misappropriation of public funds, and laundering of corruption proceeds. Unique to the UK: no direct EU or US equivalent.

Why it matters: Initial targets included officials from Russia, South Africa, Guatemala, South Sudan, and Honduras. Any company dealing with high-risk government officials in corruption-prone jurisdictions needs to check this regime.

Global Irregular Migration and Human Trafficking

What it is: Targets facilitators of illegal migration and human trafficking. A newer thematic area demonstrating the UK's expanding use of autonomous sanctions powers.

KEY COMPLIANCE TAKEAWAY: The UK operates seven thematic regimes — including the Global Anti-Corruption regime, which is unique to the UK. Geographic-only risk filtering will miss thematic-regime exposure. Every counterparty, regardless of nationality, must be screened against all applicable lists.

Russia Sanctions — A Note and Cross-Reference

NOTE — RUSSIA SANCTIONS ARE COVERED IN A DEDICATED GUIDE

Russia sanctions are the UK's largest and most complex sanctions program. As of 2024-25, Russia accounts for 2,113 of the 4,733 total UK sanctions designations. £37 billion in assets were reported as frozen to OFSI in 2024-25. The regime involves sweeping restrictions on financial services, trade, professional services, transport, and technology — not just asset freezes on listed individuals.

A dedicated UK Russia sanctions guide is available from mrsanctions.com. Key context:

- — The main instrument is the Russia (Sanctions) (EU Exit) Regulations 2019 (SI 2019/855), as amended multiple times
- — There is a separate Entities List for persons subject to financial and investment restrictions (not necessarily a full asset freeze)

- — OTSI and OFSI both enforce different elements of the Russia sanctions regime
- — OFSI implements the Oil Price Cap on Russian oil under separate powers

Do not rely on this framework guide for Russia-specific compliance. The Russia regime requires its own detailed analysis.

What to Do If You Find a Match on the Sanctions List

Finding a potential match is stressful. Here is what to do, in order.

Step 1: Stop the Transaction

Do not process any payment or transaction involving the match until you have completed your assessment. Speed matters but not more than compliance.

Step 2: Conduct a Target-Match Assessment

A name match on the UK Sanctions List does not automatically mean the person you are dealing with is the same person. Compare all available identifying information: date of birth, nationality, address, passport details, job title. If you are confident they are not the same person, document why and proceed. If uncertain, contact OFSI.

Step 3: If It Is a Target Match — Freeze and Report

If you conclude (or strongly suspect) it is a target match: freeze any relevant assets immediately; do not make any funds available to the designated person; report to OFSI within the timeframe specified in your regime's regulations.

Step 4: Assess Whether an Exception or Licence Applies

Check whether an automatic exception in the regulations permits the activity (e.g., payment of basic living costs, pre-designation contract). If not, contact OFSI about a specific licence before releasing any funds. Do not proceed without authorisation.

Step 5: Document Everything

Record when you found the match, every step you took, what information you reviewed, your conclusion, and all communications with OFSI. Documentation is your primary protection if your compliance approach is ever challenged.

KEY COMPLIANCE TAKEAWAY: The sequence is: stop, assess, freeze/report if confirmed, check for exceptions/licence, document everything. Do not reverse the order.

Why UK Financial Sanctions Are Unusual — Strict Liability

UK financial sanctions are **strict liability** offences. This means that if a breach occurs — even completely by accident, without any knowledge that the counterparty was designated — it is legally a breach. There is no "I didn't know" defence to the fact of breach itself.

Whether OFSI pursues a civil monetary penalty, issues a public disclosure notice, or refers the matter to the NCA for criminal prosecution depends on intent, culpability, and mitigating factors. But the breach is still a breach, and it can still result in consequences.

What Are the Consequences?

Consequence	Who decides?	Maximum penalty
Civil monetary penalty	OFSI	Higher of £1 million or 50% of the breach value
Public disclosure notice (naming without penalty)	OFSI	Reputational consequence; no financial penalty
Criminal prosecution (financial sanctions)	NCA	7 years' imprisonment; unlimited fine
Criminal prosecution (trade sanctions)	HMRC	7 years' imprisonment; unlimited fine
OTSI civil penalty (trade sanctions)	OTSI	Set by Trade, Aircraft and Shipping Sanctions (Civil Enforcement) Regulations 2024

OFSI actively encourages **voluntary self-disclosure** of breaches. Self-disclosing a breach before OFSI discovers it is a significant mitigating factor in penalty assessment. OFSI will not automatically impose the maximum penalty on self-disclosers who co-operate and have genuine compliance programmes.

In March 2025, OFSI imposed a £465,000 monetary penalty on Herbert Smith Freehills CIS LLP for Russia sanctions breaches relating to six payments. OFSI's 2024-25 annual review reported £37 billion in frozen assets — demonstrating the scale of UK financial sanctions enforcement.

YOUR COMPLIANCE PROGRAMME IS YOUR BEST DEFENCE: Because strict liability means you cannot avoid the breach by saying you did not intend it, the only meaningful mitigation is having a robust, documented compliance programme that you can demonstrate was in place and was genuinely followed. An after-the-fact compliance programme does not reduce liability for an already-occurred breach.

What This Means for Your Organisation

For UK-Based Businesses and Individuals

UK sanctions apply to all individuals and businesses within the UK, all UK nationals wherever they are, and all UK-incorporated businesses worldwide. This means your UK subsidiary's activities in another country must comply with UK sanctions. You cannot use overseas subsidiaries to conduct transactions that would be prohibited if done from the UK.

For Non-UK Businesses With UK Operations

If your business employs UK nationals, is incorporated in the UK, or conducts activities in the UK (including maintaining UK bank accounts or transacting through UK clearing), UK sanctions apply to those activities. A foreign parent company cannot use its UK subsidiary to circumvent UK sanctions.

For Financial Institutions

You bear the heaviest practical burden. You must screen all customers and transactions against the UK Sanctions List. You must freeze and report assets of designated persons. You have mandatory reporting obligations to OFSI. OFSI has issued sector-specific threat assessments for financial services.

For Legal, Accounting, and Professional Services Firms

Professional services firms providing advice to, or transacting on behalf of, sanctioned persons can breach sanctions. This includes legal advice, accounting services, and PR/communications. OFSI has issued a sanctions compliance threat assessment for the legal services sector. The Herbert Smith Freehills penalty in 2025 involved a law firm and is directly relevant.

For the Maritime and Shipping Sector

Transport sanctions specify ships that cannot enter UK ports or receive specified services. Additional maritime restrictions apply under Russia sanctions (shadow fleet, Oil Price Cap). OFSI has issued specific maritime guidance.

For Charities and NGOs

Charities and NGOs working in sanctioned environments must comply with sanctions while delivering humanitarian aid. OFSI has issued specific guidance for charities and NGOs. Sanctions do not generally prohibit legitimate humanitarian assistance, but organisations must ensure funds and resources do not benefit designated persons, and must obtain licences where required.

Official Answers to Common Questions

Q: Can I deal with a company that is not listed on the UK Sanctions List if I know a sanctioned person is a significant shareholder?

A: No, if the sanctioned person owns or controls that company. Ownership means more than 50% of shares or voting rights. Control is broader — it includes board appointment rights and actual decision-making dominance. A company controlled by a designated person is effectively sanctioned even without its own listing.

Q: My bank received a wire transfer from a designated person. What do I do?

A: Freeze the funds immediately (do not return them — that is also making funds available). Report to OFSI. Wait for OFSI's guidance before releasing the funds or making any further decisions.

Q: Is there a de minimis threshold below which sanctions do not apply?

A: No. There is no de minimis threshold in UK financial sanctions law. A £10 payment to a designated person is as much a breach as a £10 million payment. Scale is relevant to penalty severity, not to whether a breach occurred.

Q: We have a contract signed before our counterparty was designated. Can we still complete it?

A: Possibly, via an automatic exception in the regulations or an OFSI licence. Most regimes have provisions for pre-designation obligations. Read the specific regime's SI exception provisions carefully. If uncertain, apply to OFSI for a licence before proceeding.

Q: We are a charity sending aid to a conflict zone. Do we need a licence?

A: Not necessarily. Legitimate humanitarian assistance is generally not prohibited, but you must ensure funds and resources do not benefit designated persons, and you must comply with all applicable regime restrictions. OFSI's charity guidance is the key reference. Some activities may require a specific licence.

Q: A counterparty from a non-sanctioned country wants to do business with us. Do UK sanctions still apply?

A: Yes, if that counterparty is listed under a thematic regime (counter-terrorism, human rights, anti-corruption, cyber, chemical weapons, migration). Always screen against all regimes, not just country-specific ones.

Q: What is the difference between proscription and a sanctions designation for a terrorist organisation?

A: Proscription (under the Terrorism Act 2000) makes membership of an organisation and support for it criminal offences. A sanctions designation imposes financial sanctions (asset freeze) on named individuals and entities. An organisation may be proscribed without all its members being designated, and vice versa. Both lists must be checked separately.

Where to Find Official Information

What you need	Resource	URL
The complete list of designated persons and specified ships	UK Sanctions List	gov.uk — UK Sanctions List
All active UK sanctions regimes (with guidance)	Current UK sanctions regimes	gov.uk — Current regimes
Introductory guidance	Starter guide to UK sanctions	gov.uk — Starter guide
Financial sanctions rules and licensing	OFSI general guidance	gov.uk — OFSI guidance
FAQs on financial sanctions	UK Financial Sanctions FAQs	gov.uk — OFSI FAQs
Trade sanctions rules	Trade sanctions guidance	gov.uk — Trade sanctions
Updates and practical guidance	OFSI blog	ofsi.blog.gov.uk
Trade sanctions updates	OTSI blog	otsi.blog.gov.uk
Email alerts for list changes	UK sanctions email alerts	govdelivery.com — sign up
Report a suspected breach	Report a breach	gov.uk — Report a breach
Past enforcement actions	Sanctions enforcement actions	gov.uk — Enforcement actions
Russia sanctions — full detail	Dedicated Russia Sanctions Guide	mrsanctions.com

*Not legal advice. All information should be verified against current official UK publications before use in compliance decisions.
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