

Sanctions policy if there's no Brexit deal

Summary

What would happen to sanctions, which impose immigration, trade, financial and transport restrictions, if the UK leaves the EU without a deal.

Details

If the UK leaves the EU in March 2019 without a deal, find out how this would affect businesses and people who are required to comply with sanctions or who are subject to sanctions.

A scenario in which the UK leaves the EU without agreement (a 'no deal' scenario) remains unlikely given the mutual interests of the UK and the EU in securing a negotiated outcome.

Negotiations are progressing well and both we and the EU continue to work hard to seek a positive deal. However, it's our duty as a responsible government to prepare for all eventualities, including 'no deal', until we can be certain of the outcome of those negotiations.

For two years, the government has been implementing a significant programme of work to ensure the UK will be ready from day 1 in all scenarios, including a potential 'no deal' outcome in March 2019.

It has always been the case that as we get nearer to March 2019, preparations for a no deal scenario would have to be accelerated. Such an acceleration does not reflect an increased likelihood of a 'no deal' outcome. Rather it is about ensuring our plans are in place in the unlikely scenario that they need to be relied upon.

This series of technical notices sets out information to allow businesses and citizens to understand what they would need to do in a 'no deal' scenario, so they can make informed plans and preparations.

This guidance is part of that series.

Also included is an [overarching framing notice](<https://www.gov.uk/government/publications/uk-governments-preparations-for-a-no-deal-scenario/>) explaining the government's overarching approach to preparing the UK for this outcome in order to minimise disruption and ensure a smooth and orderly exit in all scenarios.

We are working with the devolved administrations on technical notices and we will continue to do so as plans develop.

Purpose

This notice explains how the UK would implement sanctions if the UK leaves without a deal.

Sanctions, often known in the EU as “restrictive measures” are a foreign policy and national security tool which impose immigration, trade, financial and transport restrictions. We use sanctions to fulfil a range of purposes, including as part of our efforts to maintain international peace and security, and to prevent terrorism.

The UK and other countries and international organisations implement sanctions through sanctions regimes. A sanctions regime is a collection of sanctions targeted for a specific country or group, or with a specific purpose. The most frequently applied measures within sanctions regimes include:

- trade sanctions: controls on the import, export and movement of goods, the provision and supply of services and the involvement of UK people in those activities
- banning the travel of specific people
- financial sanctions, including freezing the financial assets of specific people

Before 29 March 2019

At present, we are legally required to implement and enforce sanctions regimes agreed by the UN Security Council and, as a member of the EU, by the EU.

The detail of sanctions regimes are set out in EU law, in European Council Decisions and Regulations. The UK implements sanctions through EU Regulations and associated UK domestic legislation, such as the Export Control Order 2008 and the Immigration Act 1971.

After March 2019 if there’s no deal

As international law requires, we will implement UN sanctions in UK domestic law after the UK leaves the EU.

If the UK leaves the EU without a deal, we will look to carry over all EU sanctions at the time of our departure. We will implement sanctions regimes through new legislation, in the form of regulations, made under the [Sanctions and Anti-Money Laundering Act 2018 (the Sanctions Act)](<http://www.legislation.gov.uk/ukpga/2018/13/contents>). The Act will provide the legal basis for the UK to impose, update and lift sanctions after leaving the EU.

We propose to put much of this legislation before Parliament before March 2019, to prepare for the possibility of the UK leaving the EU without a deal. Any sanctions regimes that we did not address, through regulations under the Sanctions Act by March 2019, would continue as retained EU law under the EU (Withdrawal) Act 2018. This means there will be no gaps in implementing existing sanctions regimes.

We expect that the UK's sanctions regulations will include:

- the purposes of the sanctions regime (what the UK hopes will be achieved through imposing sanctions)
- the criteria to be met before sanctions can be imposed on a person or group
- details of sanctions, such as trade and financial sanctions
- details of exemptions that may apply, such as exemptions which allow people to trade with a certain country that would otherwise be prohibited by the regulations
- how we will enforce the sanctions measures
- other areas, such as circumstances in which information about sanctions may be shared

We would publish the names of sanctioned persons or organisations. Regulations would be [published as normal](<http://www.legislation.gov.uk/>).

After the UK leaves the EU, in addition to implementing UN sanctions, and looking to carry over existing EU sanctions, we will also have the powers to adopt other sanctions under the Sanctions Act. We will work with the EU and other international partners on sanctions where this is in our mutual interest.

What you would need to do

UK sanctions measures can apply to action taken by any person in the UK (or its [territorial waters](http://www.un.org/depts/los/convention_agreements/texts/unclos/part2.htm), and to action taken by a UK person anywhere else. A UK person includes both UK nationals and companies incorporated in the UK.

If the UK leaves the EU without a deal, if you are affected by UK sanctions you should refer to the [Sanctions Act](<http://www.legislation.gov.uk/ukpga/2018/13/contents>) and the UK regulations made under it.

If we have not yet made regulations for the sanctions regime in question, you should refer to any EU Council Regulations retained under the [EU Withdrawal Act 2018](<http://www.legislation.gov.uk/ukpga/2018/16/contents/enacted>), which may be modified under that Act.

You should not assume that all aspects of existing EU sanctions will be replicated exactly. Check [new legislation](<http://www.legislation.gov.uk/>) and ensure you comply with its requirements, and check future guidance when we publish it.

If the UK leaves the EU without a deal, we will publish further guidance on sanctions. If you are seeking information about licences or exemptions from sanctions, contact the [Office for Financial Sanctions Implementation](<https://www.gov.uk/government/organisations/office-of-financial-sanctions-implementation>) and the [Export Control Joint Unit](<https://www.gov.uk/government/organisations/export-control-organisation>). If you are undertaking activity which is currently exempt from EU sanctions, you should check UK sanctions regulations to see whether they contain relevant exemptions to cover that activity.

More information

Over the coming months, we will contact and engage with key stakeholders, including those who implement sanctions, to outline and discuss our future approach to sanctions.

For guidance on export controls and trade sanctions, view the [Export Control Joint Unit](<https://www.gov.uk/government/organisations/export-control-organisation>), email: eco.help@trade.gov.uk or call the helpline +44 207 215 4594.

This notice is meant for guidance only. You should consider whether you need separate professional advice before making specific preparations.

It is part of the government's ongoing programme of planning for all possible outcomes. We expect to negotiate a successful deal with the EU.

Norway, Iceland and Liechtenstein are party to the Agreement on the European Economic Area and participate in other EU arrangements. As such, in many areas, these countries adopt EU rules. Where this is the case, these technical notices may also apply to them, and EEA businesses and citizens should consider whether they need to take any steps to prepare for a 'no deal' scenario.