



Foreign, Commonwealth
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The Rt Hon. Dame Emily Thornberry MP
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11 December 2025

Dear Dame Emily, Peter,

I am writing to update you on the key sanctions action taken since 21 July. This update follows my written statement to Parliament of 18 December 2024 and my two earlier letters in April and July this year. I hope you find this latest update useful, and I want to thank you for your continued role supporting robust parliamentary scrutiny and oversight of the government's sanctions policy.

Since July 2024, this Government has introduced more than 1,000 new sanctions designations against individuals, entities, and ships across all regimes. We have also laid 14 statutory instruments to strengthen our sanctions regimes.

Russia

The UK's support for Ukraine remains steadfast. As outlined by the Foreign Secretary in her statement to the House on 15 October, and the Prime Minister on 25 November in his Statement on Ukraine, the UK and our allies must continue to mount economic pressure on Russia to cut the revenue to its war machine while exploring measures against third-country entities and individuals that are helping finance Russia's war efforts. We will continue to ratchet up our own measures to maximise economic pressure on Putin to force him to come to the negotiation table, and to provide support to Ukraine in pursuit of a just and lasting peace.

We have demonstrated our resolve on this through a range of action targeting Russia's revenues since coming into power. Most recently on 9 December, the UK has sanctioned 5 entities and 2 individuals for their role in destabilising Ukraine as the Foreign Secretary redoubled UK's efforts to combat Russian malign influence worldwide.

Also on 15 October, coordinated with international partners we sanctioned 88 targets across Russia's energy, financial and military sectors. This included targeting Russia's two largest oil producers, Rosneft and Lukoil. Since our sanctions, Lukoil's market value has plummeted by \$10 billion. It is struggling to sell its global assets, has halted operations at the West Qurna-2 oil field after Iraq froze payments, and faces having its European refineries taken over. Discounts on Russian oil reached nearly \$20 per barrel in the first 10 days of November. This discount could deprive the Russian government of \$7 billion in revenue over a 6-month period.

We also announced on 15 October that we will ban the import of oil products refined in third countries from Russian-origin crude oil. We will also introduce a Maritime Services Ban on Russian Liquefied Natural Gas (LNG), which will restrict Russia's ability to export globally. This will be phased in through 2026 in lockstep with EU equivalent restrictions.

We have led international efforts to disrupt Russia's shadow fleet which, by some estimates, Putin spent over \$14 billion to establish. The UK has now specified 545 vessels under the Russia sanctions regime, including 520 oil tankers and 16 LNG carriers.

Western sanctions are having an impact and have deprived Russia of at least \$450 billion since February 2022. There was a 99.6% drop in UK goods imports from Russia in 2024 compared to 2021.

Russia continues to go to great lengths to circumvent sanctions. We are working with international partners and UK businesses to identify and close loopholes where Russia is seeking to access Western technology through third countries. In August, the Department for Business and Trade published guidance for business on countering Russian sanctions evasion and continues to conduct a range of engagement to raise awareness, enhance compliance, and tackle circumvention of sanctions.

The UK also continues to spotlight the atrocities committed by Russia in Ukraine. In September, we sanctioned those responsible for the forcible deportation, indoctrination and militarisation of Ukrainian children. Russia is attempting to erase Ukrainian cultural heritage and 'Russify' the illegally Temporarily Occupied Territories of Ukraine.

We continue to call out Russia for its malign hybrid activities. On 18 July, the UK sanctioned and exposed three Russian military intelligence agency (GRU) units and eighteen of its military intelligence officers. These units were involved in the bombing of the Mariupol Theatre, the targeting of Yulia Skripal, and cyber operations in support of the illegal war in Ukraine. On 4 December, as the Dawn Sturgess Inquiry's final report was published, we designated the GRU as a whole, and eleven of its officers.

Continuing to increase the economic pressure on Russia remains a foreign policy priority for both the UK and our international partners, and we coordinate closely on our Russia measures and engagement strategy to ensure we maximise the collective impact of our sanctions.

Russian Sovereign Assets

As the Prime Minister has made clear, we are determined to make progress on using the value of Russia's sovereign assets immobilised in the UK to unlock billions to help finance Ukraine's defence. We continue to explore all lawful options to that end. We are working closely with partners on this issue and are ready to move with the EU on providing financial support based on the value of the immobilised assets.

We have already made progress. Together, the G7 has developed the Extraordinary Revenue Acceleration (ERA) Loans scheme, which is providing \$50 billion in additional support to Ukraine, repaid using the profits from sanctioned Russian assets. Over half of the UK's £2.26 billion contribution to the G7's ERA scheme has now been disbursed to Ukraine and will be used to strengthen their defence capabilities in the face of Russian aggression. The UK's national security – the foundation of the Government's Plan for Change – starts in Ukraine, which is why we are proud to be a leading partner in its support with up to £21.8 billion committed to date.

Iran

On 28 September, six suspended UN Security Council Resolutions were reinstated due to Iran's significant non-performance of its commitments under the Joint Comprehensive Plan of Action limiting its nuclear programme. The key reinstated UN obligations include: an embargo on the transfer of conventional arms to and from Iran; a ban on all enrichment, reprocessing and heavy water-related activities; financial and trade restrictions targeting Iran's nuclear and missile programmes; and asset freezes and travel bans on 121 UN designations targeting individuals and entities involved in Iran's proliferation activities.

On 1 October, we updated domestic legislation to reapply the designations and measures contained in these resolutions. We have gone further by designating 71 individuals and entities in sectors which have links to Iran's nuclear programme. We have also announced our intention to bring in legislation to impose further sectoral measures on Iran. In line with our EU partners, this will target finance, energy, shipping, software, and other significant industries which are advancing Iranian nuclear escalation.

Our sanctions are not just targeted against Iran's Nuclear program. On 30 October, the UK sanctioned Iranian corrupt banker and businessman, Ali Aliakbar Ansari, for his role in financially supporting the activities of the Islamic Revolutionary Guard Corps (IRGC), and in August sanctioned Iranian oil magnate Hossein Shamkhani alongside four companies that facilitate and provide support to Iran's hostile activity. The UK now has over 550 sanctions imposed on Iran, including designations against the IRGC.

Irregular Migration

The Global Irregular Migration and Trafficking in Persons Sanction Regulations 2025 were laid before Parliament on 22 July 2025. This is the first sanctions regime of its kind in the world combatting irregular migration and organised immigration crime. Within hours of introducing the regime, we announced sanctions against 25 targets across Europe, Asia and the Middle East involved in facilitating irregular migration to the UK, thereby disrupting the flow of money and material that supports the vile trade in people and demonstrating the new regime's global reach.

On 22 October at the Berlin Process Summit, we announced sanctions against a further 12 individuals and one entity. The package included members of the Krasniqi network, a Kosovo-based organised crime group responsible for producing false documents for over 50 countries – including the UK – and supplying them to criminal gangs. We also targeted two individuals and one entity involved in the ALPA network, which processed money and procured small boat components for people-smuggling gangs. Our sanctions have exposed these actors' activities, disrupted their ability to continue operating, and signalled the UK's commitment to bring to account those involved in and profiting from people smuggling wherever they are in the world.

This is a collective challenge. We continue to encourage other countries to adopt a similar approach and use sanctions to target the people smuggling networks and upstream actors undermining peace and stability at home.

Other Sanctions Regimes

Over the past year we have announced a series of impactful sanctions packages, including on illegal settlers in the West Bank, prominent kleptocrats with extensive UK assets, illicit gold networks, and their enablers like family members and financial fixers. On 14 October, the UK and US designated Prince Group, and froze more than £112 million in London property. This multi-billion-pound syndicate operates scam centres across Southeast Asia, where trafficked and forced labour defrauds victims across the world. Similarly, on 19 November, the UK and US sanctioned Media Land, a cybercrime syndicate responsible for facilitating costly cyber-attacks on UK-based companies.

On 24 April, we revoked Syria sanctions on energy, transport, aviation, and finance, to help unlock economic reconstruction, and allow UK businesses to reinvest in Syria. We have also delisted 36 entities, including banks, energy companies, media companies and government ministries. These changes aim to support the Syrian people to rebuild their country and economy, and support Syria's transition to a more stable and prosperous country, which is in the UK's national interest. In recent months, UK business has expressed interest in doing business in Syria and requested greater clarity from UK government – we responded to this call on 2 December by publishing guidance on GOV.UK: 'Supporting a secure and prosperous future for Syria'.

On 6 November, the UK supported the delisting of Syrian President Ahmed Al-Sharaa and Syrian Interior Minister Anas Al-Khattab at the UN. We worked at length to secure support from key states, including facing off the threat of a veto from Russia and China, who ultimately abstained.

Sanctions Strategy and Enforcement

In my letter to you of 21 July I referred to the cross-government review of sanctions implementation and enforcement published on 15 May. Since publication we have focused on implementing the commitments in the review. These systemic improvements will make sanctions easier to comply with, increase their deterrent effect and ensure we have the right capabilities, capacity and powers to take robust action against those who seek to evade UK sanctions.

We have made good progress on improving our sanctions pages on GOV.UK. This has included publishing a new starter guide for UK sanctions and the launch of a new navigation tool, 'How to report a suspected breach of sanctions', simplifying reporting and reducing the administrative burden of sanctions compliance by directing users to the correct reporting route for their circumstances. In November, a new enforcement page went live, bringing together a range of enforcement information in one place including key compliance lessons for industry. We have used this page to notify industry that we are developing a cross-government sanctions enforcement strategy, due to be published early next year. In January 2026 we will move to a single sanctions list for all UK designations and specifications, simplifying the process for our stakeholders. In October we published guidance relating to this in October to ensure industry is prepared.

In July, the Office of Financial Sanctions Implementation (OFSI) launched new online forms for submitting licence applications, reporting suspected breaches, and other key reporting such as frozen assets. This is a significant step forward in OFSI's drive to modernise and streamline our services, making processes clearer, faster and more accessible for everyone who needs to contact OFSI.

In October OFSI also published its Annual Review 2024-25 in October, showcasing OFSI's major operational achievements over a year marked by significant progress in the UK's mission to enhance the effectiveness of UK financial sanctions. Key achievements included enhanced support for industry to boost compliance, developing stronger capability and expertise, and enforcing sanctions breaches robustly and proportionately. This has been underlined by the imposition of several monetary penalties linked to Russia in the last year. Data released in the Annual Review also reveals that UK sanctions have frozen £28.7 billion of Russian assets since February 2022, highlighting the UK's leading role in choking off the funding streams bankrolling Russia's illegal invasion of Ukraine.

The same month OFSI also concluded a public consultation on sanctions enforcement, covering proposals to introduce: changes to OFSI's public case assessment guidance and penalty discounts for voluntary disclosure; a settlement scheme for monetary penalty cases; an Early Account Scheme (EAS) to incentivise subjects of enforcement action to carry out a full internal investigation and provide complete accounts of breaches to OFSI; a streamlined penalty process for information, reporting and licensing offences; and, increases to OFSI's statutory maximum penalties. A Consultation Response is expected to be published early next year.

We continue to see our efforts on enforcement yield results. Following the National Crime Agency (NCA) securing the first convictions for breaches of Russian financial sanctions in April, there has been a further prosecution for sanctions offences following HM Revenue & Customs (HMRC) investigations.

In November, the NCA announced that using the intelligence gained on Operation Destabilise it has supported its international law enforcement partners in seizing \$24 million and over EUR 2.6 million from Russian money laundering networks with links to drugs, organised immigration crime, ransomware and espionage. The networks had also helped Russian oligarchs and elites to bypass sanctions.

There have been a total of 128 arrests as a result of the operation, with over £25 million seized in cash and cryptocurrency in the UK alone.

As mentioned, OFSI is continuing to deliver on its commitment to rigorously enforce the UK's financial sanctions regime. In 2025, it has issued four civil monetary penalties totalling over £900,000. This includes most recently in September a £152,750 penalty imposed on Colorcon Limited, and in July a £300,000 penalty against Markom Management Limited, for a breach of UK financial sanctions imposed against Russia.

HMRC concluded a £1.1 million compound settlement for trade sanctions breaches in May and recently published a related case study to help educate industry and facilitate compliance. In December the Office of Trade Sanctions Implementation (OTSI) published a report on 'One Year of the Office of Trade Sanctions Implementation'. Since its launch OTSI has received reports or referrals for 146 potential breaches of sanctions and has a number of investigations underway.

Litigation

We uphold a fair and transparent UK sanctions system whereby individuals can challenge their designations. This is a key feature of due process and the rule of law in a democratic society. On 29 July the Supreme Court handed down judgment in the case of Eugene Shvidler. This was a significant case because it was the first time that the Supreme Court considered the UK's autonomous sanction regime and it ruled that it had been applied lawfully.

Overseas Territories

I am pleased to note that following the annual UK-Overseas Territories Joint Ministerial Council in November, the Overseas Territories reaffirmed in the communiqué their commitment to effective implementation and robust enforcement of UK sanctions and recognised that sanctions were central to advancing foreign policy priorities including deterring Russian aggression in Ukraine. The communiqué included a renewed commitment on the part of the Overseas Territories to strengthening sanctions capability to tackle breaches and enhance international partnerships.

I look forward to engaging with you as we continue to use the range of our geographic and thematic sanctions regimes to advance UK objectives and deter and disrupt malign activity.

I am copying this letter to the Chairs of the Treasury Committee, the Business and Trade Committee and the Transport Committee, as well as the UK's Anti-Corruption Envoy. A copy of this letter will also be placed in the Library of both Houses.

Yours sincerely,

A handwritten signature in grey ink that reads "Stephen Doughty". The signature is written in a cursive, flowing style.

Stephen Doughty MP
Minister of State for Europe, North America and UK Overseas Territories