

# Sanctions: Fortnightly Summary



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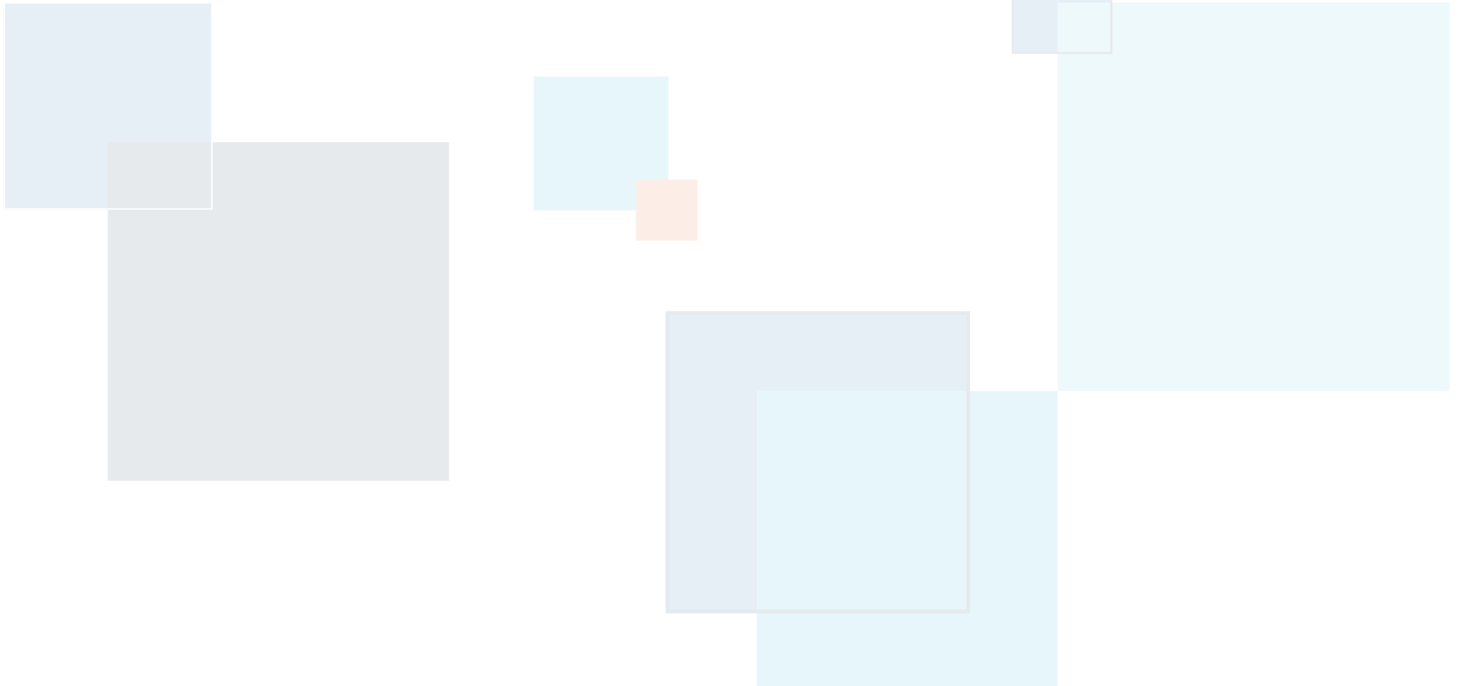
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Welcome to the BCL's sanctions and export controls round-up, highlighting key UK and international developments in sanctions law and compliance.

This edition covers, amongst other matters, new and amended OFSI General Licences relating to Lukoil, new designations made under the UK's Russia and Cyber sanctions regimes, and parliamentary commentary concerning the use of accrued interest on the sale proceeds of Chelsea Football Club.

## General trends and developments

- The Dekleptocracy Project (Dekleptocracy), a US-based NGO, have proposed several “obscure” sanctions that could disrupt Russia’s war effort in Ukraine beyond existing sanctions measures imposed on Russian energy companies, “oligarchs”, banks, military suppliers and the “shadow fleet” of ships transporting Russian oil. [\*\*\[Guardian article\]\*\*](#)
- The proposed sanctions, which the US, UK and EU policy makers have not yet utilised or commented upon, would be aimed at chemicals used to make mechanical lubricants and military grade tyres. Dekleptocracy says these measures would damage Russia’s war machine due to:
  - Only a small number of companies making chemical additives for mechanical lubricants; and
  - Russia’s insufficient domestic capabilities to produce “vulcanisation accelerants and other substances” needed for military-grade tyres.

## HM Treasury licences

### New General Licence issued relating to Lukoil International Entities

- On 27 November, OFSI issued General Licence **INT/2025/8031092** (relating to the ‘Continuation of Business of Lukoil International Entities’), which permits UK persons to continue to engage in business operations involving the Vienna-based international unit of Lukoil, Lukoil International GmbH (“Lukoil international”), and its subsidiaries. The General Licence permits continued business operations with Lukoil International or its subsidiaries by making payments to or from the entities under existing or new obligations or contracts, as well as the provision and receipt of economic resources.
- The General Licence includes an important condition, that any funds to which Lukoil International or its subsidiaries are entitled must not be made available to them unless they are paid into a frozen account, or until they are no longer owned or controlled, directly or indirectly, by PJSC Lukoil.
- Following the issuance of the General Licence, OFSI have added FAQ 174, which notes that OFSI is aware of the ongoing negotiations of the sale of PJSC Lukoil’s international assets. The General Licence is due to expire on 26 February 2026, at which point a renewal of the General Licence will be considered by OFSI in the context of the ongoing negotiations on the sale of PJSC Lukoil’s international assets.

## General Licence amendments

- Earlier, on 20 November, General Licence [INT/2025/7895596](#) (relating to the ‘Continuation of Business of Lukoil Bulgaria Entities’), which permits UK persons to continue to engage in business operations with certain Bulgarian entities of PJSC Lukoil (namely Lukoil Bulgaria EOOD and Lukoil Neftochim Burgas AD), was updated to extend the permission of the licence to two further entities, Lukoil Aviation Bulgaria EOOD and Lukoil Bunker Bulgaria EOOD (the “Lukoil Bulgaria entities”). The General Licence was first issued by OFSI on 14 November, following the announcement of sanctions on Russia’s “oil giants” Rosneft and Lukoil, on 15 October. [\[OFSI Publication Notice; FCDO press release\]](#)

## Sanctions Compliance

### NCA publishes “Operation Destabilise”, exposing a money laundering network said to be funding the Russian war effort

- On 21 November, the NCA issued a press release that referred to a “billion-dollar money laundering network active in the UK, [which] purchased a bank in Kyrgyzstan to facilitate sanctions evasion and payments in support of Russian military efforts”. This investigation forms part of a wider operation, known as “Operation Destabilise”, in which the NCA and its law enforcement partners are investigating money-laundering networks in the UK with links to Russian nationals and designated persons [\[NCA press release\]](#)

## UK designations

- On 19 November, entities Media Land LLC, ML.Cloud LLC and individuals Alexander Alexandrovich Volosovik, Kirill Andreevich Zatolokin, Yulia Vladimirovna Pankova and Andrei Valerevich Kozlov were designated under the Cyber (Sanctions) (EU Exit) Regulations 2020. The specific designations are aimed to target the “Media Land cybercrime syndicate”, said to be responsible for facilitating cyber-attacks on UK-based companies by way of operating “bulletproof” hosting services. These services are said to provide online infrastructure by way of dedicated servers that are resilient to law enforcement interventions, and to enable cyber criminals to engage in illegal activity such as phishing attacks and ransomware. [\[OFSI notice; OFSI notice; FCDO press release\]](#)
- On 19 November, Aeza Group LLC, said to be providing “bulletproof” hosting services (as above) to support the work of the Social Design Agency, a Russian disinformation agency, was designated under the Russia (Sanctions) (EU Exit) Regulations 2019. [\[OFSI notice; FCDO press release\]](#)
- Also on 19 November, the designation of entity Chosun Expo was amended under the same Regulations. Chosun Expo, an entity based in North Korea, is said to be a front company used by the malicious cyber actors operating the Reconnaissance General Bureau (RBG) (a North Korean intelligence agency). Chosun Expo is thereby said to be responsible for engaging in, providing support for, or promoting the planning of relevant cyber activity, including data interference and accessing information systems. [\[OFSI notice\]](#)

## Parliamentary commentary

### Question concerning the use of profits from immobilised Russian sovereign assets

- On 20 November, the FCDO responded on what steps are being taken to support the use of profits from immobilised Russian sovereign assets held in the UK and internationally to fund Ukraine's recovery and reconstruction.
- Stephen Doughty MP, Minister within the FCDO, referred to statements made by the Foreign Secretary on 15 October and the joint statement made by G7 Foreign Ministers on 12 November, which referred to using or leveraging the value of Russian sovereign assets to support Ukraine. **[UK Parliament record; Foreign Secretary statement; G7 Joint statement]**

### Question concerning the use of Georgia as a third country to evade sanctions

- On 24 November, the FCDO responded on what steps it is taking to help ensure that businesses in Georgia are not used for third-country evasion of sanctions against Russia.
- Stephen Doughty MP said that "the Government [had] issued new UK sanctions guidance for non-UK businesses in several countries, including Georgia, to support compliance with UK sanctions and raise awareness of relevant national laws. This built on the extensive diplomatic engagement and technical assistance we have provided in priority jurisdictions to address circumvention risks." **[UK Parliament record]**

### Questions concerning whether the accrued interest from the sale proceeds of Chelsea FC are to benefit the victims of Ukraine and not sanctioned individuals

- On 24 November, HM Treasury responded on whether the interest accrued on the frozen proceeds from the sale of Chelsea FC was intended to benefit any future foundation established to support victims of the war in Ukraine.
- Lucy Rigby MP, the Economic Secretary to the Treasury, said that "The Government is determined to see the full proceeds from the sale of Chelsea Football Club reach humanitarian causes in Ukraine, following Russia's illegal full-scale invasion. We are deeply frustrated that it has not been possible to reach agreement on this with Mr Abramovich so far. While the door for negotiations will remain open, we are fully prepared to pursue this through the courts if required, to ensure people suffering in Ukraine can benefit from these proceeds as soon as possible." **[UK Parliament record]**
- On 25 November, the FCDO added that "Restrictions imposed through UK sanctions laws will ensure that the proceeds do not benefit sanctioned individuals." **[UK Parliament record]**

## Export controls

### Update to export control regulations

- On 20 November, the Export Control Joint Unit published a notice stating that it has amended the following legislation:
  - the **Export Control Order 2008**;
  - the assimilated Council Regulation **(EC) No 428/2009** of 5 May 2009 (the assimilated Dual-Use Regulation); and
  - the assimilated Regulation **(EU) 2019/125** of 16 January 2019 (the assimilated Torture Regulation).
- The purposes of the amendments, which are expected to come into force on 16 December 2025 by way of The **Export Control (Amendment) (No.2) Regulations 2025**, is to align with changes to the corresponding EU controls for control lists detailing dual-use items and goods usable for capital punishment or torture. **[ECJU notice]**

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