

# Sanctions: Fortnightly Summary



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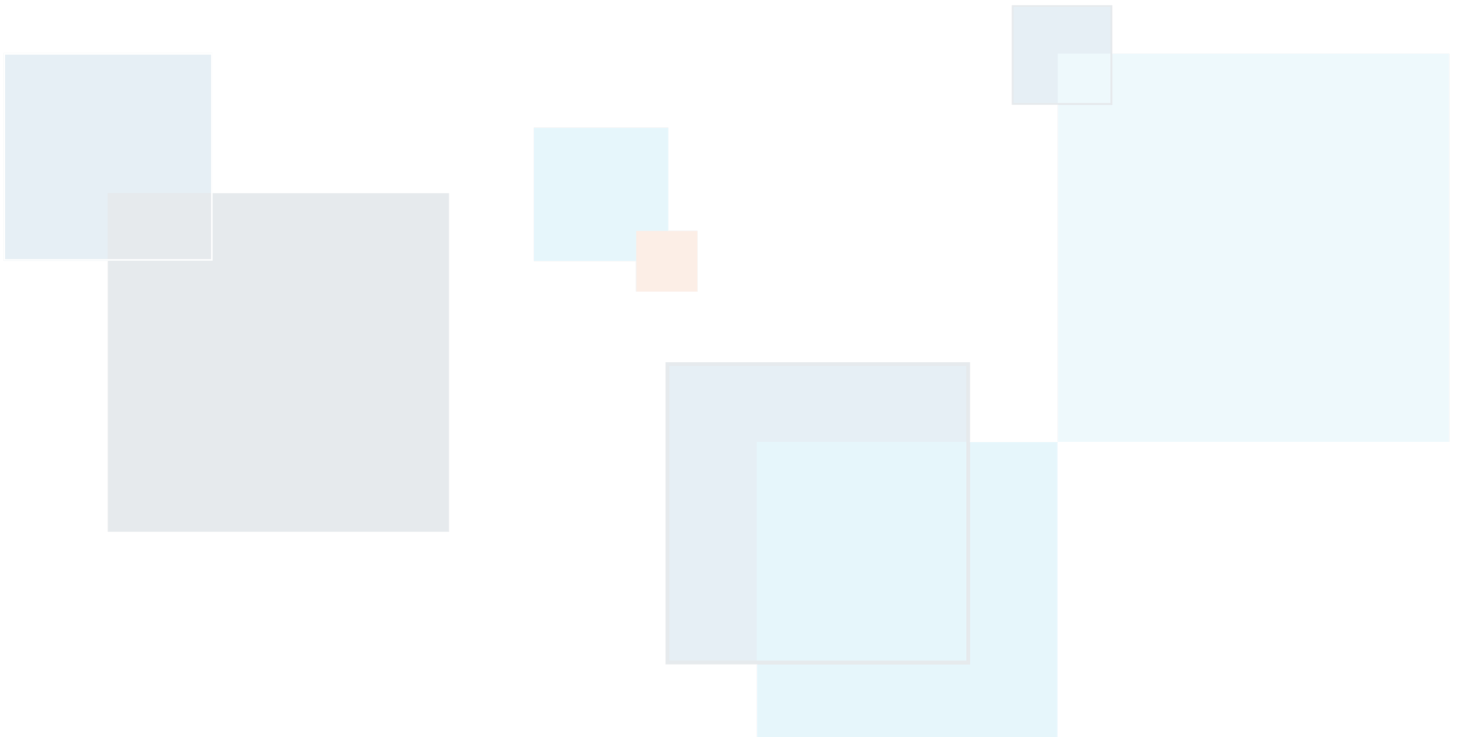
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Welcome to the BCL's sanctions and export controls round-up, highlighting key UK and international developments in sanctions law and enforcement.

This edition overviews notable developments in UK and global sanctions policy, enforcement, and export controls, including new designations against Russian entities and Kyrgyz, banks and the possible re-instatement of United Nations ("UN") sanctions against Iran.

## General Trends and Developments

### **E3 (France, Germany and the UK) initiate the snapback process of UN sanctions against Iran [FCDO press release]**

- On 28 August 2025, the E3 decided to trigger the 30-day process to reimpose UN-imposed sanctions on Iran, on the basis that Iran failed to meet its 2015 commitments regarding its nuclear programme.
- The "snapback" process was initiated, as defined in UN Resolution 2231, and will lead to the possible re-establishment of previously terminated UN Security Council resolutions. Previous UN resolutions imposed stringent economic sanctions and other restrictive measures on Iran's economy.

### **The Trump administration may be sanctioning European Union officials**

- On 25 August, Reuters reported that US President Donald Trump's administration is considering imposing sanctions on European Union or member states officials who were behind the implementing of the EU's Digital Services Act.
- These unprecedented use of sanctions would be the result of the US and President Trump's complaints that the EU's Digital Services Act is censoring and discriminatory towards Americans, and imposes costs on US tech companies. This aligns with President Trump's general threat to impose tariffs or export controls against states that implement similar digital taxes, legislations and regulations.

## Designations

### **UK sanctions actors that it claims are forcibly deporting, indoctrinating and militarising Ukrainian children [FCDO press release]**

- The UK has designated 8 individuals and 3 organisations affiliated with Russia, for allegedly supporting and carrying out Russia's apparent attempt to forcibly deport and indoctrinate Ukrainian children and erase their Ukrainian cultural heritage.
- The designations follow on from defence intelligence reports of Russia pursuing its long-standing "Russification" policy in occupied territories of Ukraine, seeking to eradicate Ukrainian culture identity and statehood. The FCDO press release also refers to UN reporting showing that Russia has allegedly enforced Russian curriculum in schools in the occupied territories and implemented training which prepares children for Russian military service.

## **UK introduces sanctions against Kyrgyz banks and crypto networks it says are aiding Russians to circumvent sanctions [\[FCDO press release\]](#)**

- The UK has designated 3 individuals and 4 entities, notably Capital Bank in Kyrgyzstan and its director Kantemir Chalbáyev, and crypto exchanges Grinex and Meer, for contributing to Russia's evasion of Western sanctions.
- The FCDO alleges that Russia uses these networks to facilitate cash and cryptocurrency transactions, to pay for military goods and generally evade the bite of Western sanctions.
- This is a joint action with the United States, which announced similar measures to crack down on sanctions circumvention. It follows on from high-level discussions in Washington involving U.S. President Trump, Ukrainian President Zelenskiy, and UK Prime Minister Starmer.

## **UK sanctions networks said to be financing Iran's destabilising activities [\[FCDO press release\]](#)**

- The UK has designated Iranian oil magnate Mohammad Hossein Shamkhani and four companies involved in shipping, petrochemicals, and finance (Petrochemical Commercial Company, Admiral Group, Ocean Leonid Investments, and Milavous Group), for allegedly channelling revenue supporting "Iran's destabilising activities, including supporting proxies and partners across the region and facilitating state threats on UK soil".
- The sanctions aim to undermine that financial infrastructure and to signal the UK's commitment to disrupt Iran's destabilising influence in the Middle East and to global security. This action adds to the UK's expanding Iran sanctions framework, which now counts hundreds of designations, including military figures, businesses suspected of aiding drone and missile production, and 'malign influence channels'.

## **Government Strategy**

### **OFSI Open Consultation for improving civil enforcement processes for financial sanctions [\[Link to OFSI website\]](#)**

- OFSI has launched a consultation on several changes it proposes to its civil enforcement processes for financial sanctions (including the Russia-related designated person asset reporting) and the Oil Price Cap. OFSI's consultation intends to take into account the private sector's views of the proposed changes .
- OFSI is seeking views on five proposed changes to its civil enforcement processes:
  - Changes to OFSI's public case assessment guidance and penalty discounts for voluntary disclosure and co-operation.
  - The introduction of a settlement scheme for monetary penalty cases.
  - The introduction of an Early Account Scheme (EAS) that would in appropriate cases enable subjects of an OFSI enforcement investigation to provide a complete factual account of the matters under investigation to OFSI. And, in appropriate cases where the EAS has been used and a monetary penalty results, the maximum settlement discount would be increased from

20% to 40%.

- The introduction of a streamlined process with indicative penalties for appropriate cases involving information, reporting, and licensing offences.
- Changes to OFSI's statutory penalty maximums.
- This consultation closes on 13 October 2025 – Response to the consultation via this link - <https://www.smartsurvey.co.uk/s/OFSIEnforcement/>
- Enforcement Consultation Webinar: OFSI will be holding a webinar on its recently launched enforcement consultation for interested stakeholders. The webinar will take place online on Wednesday 17 September 2025, 14:00- 15:00. **OFSI Enforcement Consultation Webinar Sign up**

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