



Department for Business, Energy & Industrial Strategy

The Russia (Sanctions) (EU Exit) (Amendment) (No. 14) Regulations 2022

Professional and Business Services

These regulations ('the Regulations') came into force on 21 July 2022. Regulation 54C prohibits a legal or natural person from providing, directly or indirectly, accounting, business and management consulting, and public relations services to a 'person connected with Russia'. These services ('covered services') are defined in Regulation 54B, while a 'person connected with Russia' is defined in Regulation 21. The prohibitions in regulation 54C are subject to exceptions and licences.

This briefing note is a practical guide for businesses potentially affected by the regulations, but does not contain legal advice. Any party in doubt about its legal position should take independent legal advice.

Exceptions and notification

Regulation 60DA provides for exceptions in cases where the covered services are:

- Supplied in order to comply with UK statutory or regulatory obligations, apart from contractual obligations; or
- Necessary for the official purposes of a diplomatic mission or consular post to Russia, or of certain kinds of international organisations.

Regulation 60DA(1)(a)(ii) also contains an exception for services that are supplied in order to discharge a contractual obligation, provided that the contract was concluded before 20 July 2022, that the services are supplied before 21 August 2022; and that the supplier has notified the Secretary of State at least 10 working days in advance. This exception is intended to allow a period of one month after the regulations came into force, in order to wind down contracts that were concluded before 20 July 2022. Note that the last day on which notification could be submitted in order to take advantage of this provision was therefore 5 August 2022. After the wind-down period ends on 21 August 2022, a licence will be required to continue providing the covered services.

A notification under regulation 60DA(1)(a)(ii) must have been made to the Secretary of State for International Trade and sent by email to exportcontrol.help@trade.gov.uk. Supplying the covered services is not permitted during the 10-working day notice period.

Licences

Unless a relevant exception applies, it is necessary to obtain a licence to provide the covered services. The Department for International Trade (DIT) has overall responsibility for trade sanctions licensing. In exercising these powers, DIT consults other government departments with a policy interest. The Secretary of State for International Trade is ultimately responsible

for each decision to grant or refuse a licence, while the Foreign, Commonwealth and Development Office has overall responsibility for UK sanctions policy.

Within DIT, the Export Control Joint Unit (ECJU) is responsible for administering the licensing provisions on behalf of the Secretary of State, who will consider each licence application on a case-by-case basis to determine whether granting a licence would be consistent with the purposes of the sanctions regime.

For the prohibitions on providing the covered services under Regulation 54C, there are six specific grounds on which DIT considers that a licence is likely to be available, as these are consistent with the aims of the sanctions. These grounds are set out in the [Statutory Guidance](#). If you think that your proposed activity falls within one or more of them, you should make this clear and explain the basis for that position. However, the Secretary of State always has discretion to grant or to refuse any application, whether or not it concerns any of the six grounds. You should not assume that a licence will be granted or engage in any prohibited activities pending the outcome of an application.

Applying for a licence

All applications for trade sanctions licences should be made through [SPIRE](#) - the ECJU's online export licencing system. If you do not have an account on SPIRE, you or your organisation will need to register for one. You can contact tradesanctions@trade.gov.uk to give them advance notice of your intention to register with SPIRE and the team can help resolve any questions.

Once you have registered on SPIRE, you are required to submit an application for a Standard Individual Export Licence (SIEL). You should attach a cover letter to your application stating the applicable regulations. The letter should also include information on the activities you wish to carry out, how the proposed activities fall within scope of the definition of the prohibited services, supporting evidence explaining why a licence should be granted, including details of the licensing grounds being relied upon, and any other relevant documentation.

Some questions on the SPIRE form may not be applicable – in these cases, you may answer N/A, but the cover letter should provide any necessary explanation. If any information is required, the ECJU can ask further questions on SPIRE after the application has been submitted. An End-User Undertaking Form (EUU) is not required for licence applications related to professional and business services sanctions.

The ECJU aim to provide a decision on 70% of SIEL applications within 20 working days, and 99% within 60 working days following receipt of all necessary documentation (and not including time taken to provide further information requested by ECJU). If possible, a decision will be provided in advance of this timetable.

If you have any questions, please contact tradesanctions@trade.gov.uk