

Further measures to move faster with sanctions and clamp down on Putin's regime

- Amendments to be put forward to allow government to move harder and faster with sanctions
- Deadline to register overseas entities to be shortened to 6 months
- New powers to more rapidly sanction those who have already been sanctioned by EU or US

The Government has put forward series of amendments to the Economic Crime (Transparency and Enforcement) Bill to crack down on corrupt elites and ramp up pressure on Putin's regime.

The first set of amendments will allow the government to move faster and harder when sanctioning oligarchs and businesses associated with the Russian Government.

The new provisions will help streamline the current legislation so we can respond even more swiftly and effectively to the current crisis in the way we sanction individuals.

It will allow the UK to align more rapidly with the individual designations imposed by our allies such as the US, Canada and the EU via an urgent designation procedure.

The amendments will remove the test of 'appropriateness' for designations, enabling the government to act more quickly and make changes to further facilitate the designations of groups of individuals.

The Government has also brought forward amendments to shorten the deadline for overseas companies to register their beneficial owners from 18 months to 6 months. This will help crack down on money laundering through UK property, whilst giving people who hold their property in overseas entities for legitimate reasons appropriate time to comply with the new requirements.

The vast majority of the beneficial owners of entities holding properties on the register will be entirely law-abiding companies and individuals. A 6-month transition period strikes a balance in allowing for the free enjoyment of property and maintaining the UK's reputation as a stable investment environment whilst ensuring property owners register their beneficial owners.

A further amendment will also increase criminal penalties for non-compliance from fines of up to £500 per day to up to £2,500 per day. As set out in the existing legislation, other sanctions will include prison sentences of up to 5 years and imposition of financial penalties for non-compliance.

Prime Minister Boris Johnson said:

The UK has led the way with the toughest package of sanctions against Putin's regime and we're bolstering this with new powers in our arsenal to go further and faster.

We will ramp up the pressure on those criminal elites trying to launder money on UK soil and close the net on corruption. They will have nowhere to hide.

Foreign Secretary Liz Truss said:

Our message to Putin and his cronies has been clear from day one – invading Ukraine would have serious and crippling consequences. We have been true to our word, introducing the largest and strongest sanctions package in our history, but we are not stopping here.

The changes we are making will allow us to go faster and harder on those closest to Putin, including oligarchs, as we continue to ratchet pressure in the face of illegal and unprovoked Russian aggression.

The government will also bring forward an amendment which will commit the Government to publishing an annual report on the use of Unexplained Wealth Orders (UWOs). Data on the use of UWOs is already published in the annual Asset Recovery Statistical Bulletin, but the additional report will be laid before Parliament and provide further information beyond how many UWOs have been obtained and their estimated value.

The Economic Crime (Transparency and Enforcement) Bill will be expedited through all its Commons stages on Monday and the Government is looking for swift passage in the Lords in order to get Royal Assent as soon as possible.

The Prime Minister has so far announced the largest and most severe package of economic sanctions ever imposed on a major economy. We have brought in sanctions on President Putin, Sergey Lavrov, five Russian banks and more than 300 individuals and entities at the heart of Putin's regime, and Belarus.

The UK is also applying full asset freezes to three more banks in addition to the six already designated and we are preventing the Russian state from raising debt here and isolating all Russian companies from access to UK capital markets.

The government will continue to ratchet up pressure and use sanctions to degrade the Russian economy on a scale that the Kremlin, or any major economy, has ever seen before.