

SANCTIONS SCHOOL

Aircraft and Shipping sanctions

The primary act for the UK sanctions regime is the [Sanctions and Anti-Money Laundering Act 2018](#) (SAMLA).

These two types of sanctions are usually classified as transport sanctions and it is the Department for Transport (DfT) who are responsible for transport sanctions implementation and licensing.

Transport sanctions are not a common tool and currently apply to a small number of UK Sanctions Regimes. **The UK government currently applies transport sanctions to 5 regimes, these are DPRK, Belarus, Russia, Syria and Libya.**

Other countries and groups also impose aircraft and shipping sanctions and while still infrequent there are UN regimes that impose aircraft and shipping sanctions such as the DPRK regime. UN sanctions are introduced in lesson 7 and are covered in more detail in year 2.

The UK Finance sanctions school is free to everyone and builds knowledge and understanding of the international sanctions environment.

Year 1 materials cover the foundations of what sanctions are, their history, what types of sanctions are imposed, the key regulators for UK based companies and the licences, reporting, and enforcement that sanctions programmes have.

This is lesson 6 of 12, which covers aircraft and shipping sanctions. The other lessons, tests and the end of year exam are available on the [UK Finance website](#) along with links to accompanying podcasts for each lesson.

Aircraft Sanctions

In SAMLA, aircraft sanctions are set out in [Section 6](#). They are typically restrictive measures aimed at the movement of aircraft. This gives the general purposes for applying aircraft sanctions.

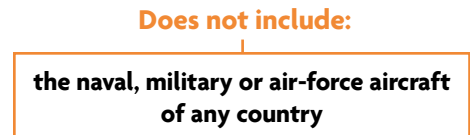
These purposes include:

- **Detaining disqualified aircraft within UK or controlling the movement of disqualified aircraft so that they don't**



- **Preventing persons from owning, chartering, operating or registering aircraft in a prescribed country**
- **Preventing the registration of aircraft which a designated person holds a prescribed interest**

What does the term 'aircraft' mean in the legislation:



- This means that a drone might be covered by the legislation, but it is not currently possible to sanction the military air force of a country.

What aircraft sanctions in practice look like:

The UK imposed aircraft sanctions in [The Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 6\) Regulations 2022](#). This prevented Russian aircraft from overflying or landing in the UK and gives the power for airport operators to give directions to Russian aircraft.



Shipping Sanctions

Like the other types of sanctions covered in lessons 4 and 5, **SAMLA sets out shipping sanctions, this time in [Section 7](#)**.

The purposes include:

- **detaining disqualified or specified ships within the United Kingdom, or controlling the movement within the United Kingdom so that they don't:**



- **Preventing persons from owning, controlling, chartering or operating:**



- **Preventing ships from:**



- **Preventing the registration of:**



What is the criteria for a ship to be designated:

- **A ship which a designated person or person connected with a prescribed country:**

Owens | Controls | Charters | Operates | Crews

- **A ship which is registered in a prescribed country**
- **A ship which flies the flag of a prescribed country**
- **A ship which originates from a prescribed country**

What does 'a ship' mean in the legislation:

- Any vessel (including a hovercraft) used in navigation, except the naval, military or air-force ships of any country.

Shipping sanctions in practice:

In [The Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No. 4\) Regulations 2022](#), there are prohibitions on port entry, and movement of ships, and detention of ships which were owned by a designated person, persons connected to Russia or flying the flag of Russia.

Why impose shipping sanctions:

Shipping sanctions can help restrict movement of goods and flow of money to designated individuals, affecting the target country as a whole. They can also help punish on a more targeted scale certain designated persons, who own vessels, for example, by designating the luxury yachts of Russian oligarchs, it helps with the asset freeze and is a political statement about how the designating country perceives them.

Transport Sanctions Licences

Licences to allow time limited and specific actions to take place, which would otherwise be prohibited by sanctions can be issued by the DfT

Glossary

Chartered

– A shipping term for a ship being hired for a particular voyage

DfT

– Department for Transport. This is the department responsible for Transport sanctions (aircraft and shipping) and licensing for those areas.

DPRK

– Democratic People's Republic of Korea, commonly known as North Korea

SAMLA

– The Sanctions and Anti-Money Laundering Act 2018. The primary act in the UK which sets out the sanctions framework.

UN

– United Nations. The United Nations is an international organization founded in 1945. Currently made up of 193 Member States, the UN and its work are guided by the purposes and principles contained in its founding Charter.

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