



General Licence – Publication Notice

General licence - INT/2022/2349952

OFSI has the power to issue General Licences for country sanctions regimes under the Sanctions and Anti-Money Laundering Act 2018 (“the Sanctions Act”).

On 04 November 2022, OFSI issued General Licence INT/2022/2349952 under regulation 64 of the Russia (Sanctions) (EU Exit) Regulations 2019 (“the Russia Regulations”) to allow, subject to certain conditions, transactions related to agricultural commodities including the provision of insurance and other services.

Any persons intending to use General Licence INT/2022/2349952 should consult the copy of the Licence on this page for full details of the permissions and usage requirements.

For the purposes of General Licence INT/2022/2349952, a DP means any individual or body of persons (corporate or unincorporate) designated under regulation 5 of the Russia Regulations and/or any individual or body of persons (corporate or unincorporate) owned or controlled by that designated person as determined under the criteria set out in the Russia Regulations (in particular regulation 7 of and Schedule 1 to those Regulations). A Person means an individual, a body of persons corporate or unincorporate, any organisation or any association or combination of persons; and a Relevant Institution means:

- A person that has permission under Part 4A of the Financial Services and Markets Act 2000 (permission to carry on regulated activity);
- A person that is authorised or registered under Part 2 of the Payment Services Regulations (SI 2017/752);
- A person that is authorised or registered under Part 2 of the Electronic Money Regulations (SI 2011/99);
- A person that is a “recognised clearing house”, “third country central counterparty”, “recognised CSD” or “third country CSD” for the purposes of s.285 of the Financial Services and Markets Act 2000;
- A person that is an operator of a recognised payment system (or that is a service provider in relation to recognised payment systems) for the purposes of Part 5 of the Banking Act 2009; and
- A Designated Person where they fall within any of categories (a)-(e) above.

Banking Fees mean Service fees charged by a Relevant Institution, including transaction fees, payment fees or transfer fees; and Funds mean financial assets and benefits of every kind, including (but not limited to)—

- Cash, cheques, claims on money, drafts, money orders and other payment instruments;
- Deposits, balances on accounts, debts and debt obligations;

- Publicly and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivative products;
- Interest, dividends and other income on or value accruing from or generated by assets;
- Credit, rights of set-off, guarantees, performance bonds and other financial commitments;
- Letters of credit, bills of lading and bills of sale;
- Documents providing evidence of an interest in funds or financial resources;
- any other instrument of export financing.

Economic resources mean assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but can be used to obtain funds, goods or services, including Agricultural Commodities; and Dealing with means: In relation to Funds, if a Person –

- Uses, alters, moves, transfers or allows access to the funds,
- Deals with the funds in any other way that would result in any change in volume, amount, location, ownership, possession, character or destination, or
- Makes any other change, including portfolio management, that would enable use of the funds.

Dealing with means: In relation to Economic Resources, if a Person –

- Exchanges the economic resources for funds, goods or services, or
- Uses the economic resources in exchange for funds, goods or services (whether by pledging them as security or otherwise).

An Insurance Provider means a firm with permission to effect or carry out contracts of insurance or reinsurance in the UK and registered by the Financial Conduct Authority (FCA), including a Designated Person if applicable.

A DIT Licence Holder means a Person, who is not a Designated Person, to whom a trade licence has been issued by the Department for International Trade under regulation 65 of the Russia Regulations or a Person who has notified the Secretary of State to use a General Licence issued by the Department for International Trade under regulation 65 of the Russia Regulations.

A Relevant UK National means a UK national or citizen who is not a Designated Person, and who is employed by a non-UK incorporated Person outside of the UK, where such non-UK incorporated Person is neither a Designated Person nor a 'person connected with Russia' (nor owned, held or controlled by a Designated Person or a 'person connected with Russia'). For the purposes of this Licence, a 'person connected to Russia' has the meaning given to it in regulation 19A(2) of the Russia Regulations.

A Relevant Exporter means an exporter, producer, seller or transporter of Agricultural Commodities, who is not a Designated Person. A UK Corporate means a UK-incorporated Person who is not a Designated Person or a Relevant Institution; and Agricultural Commodities means:

- Food;
- Fertiliser;
- Seed;
- Feed; and
- Reproductive materials (such as live animals, fertilized eggs, embryos, and semen) for the production of food for animals.

Fertiliser means:

- Ammonium nitrate, including fertilisers and fertiliser blends containing more than 15% by weight ammonium nitrate, except liquid fertilisers (containing any amount of ammonium

nitrate) or dry fertilisers containing less than 15% by weight ammonium nitrate, controlled under entry 1C997, as listed in Part 1A of Schedule 2A of the Russia Regulations (Critical-industry goods and critical-industry technology); and

- Ammonia in aqueous solution controlled under commodity code 2814 20 as listed in Schedule 3E Part 2 of the Russia Regulations (G7 dependency and further goods list goods).

Feed means any substance or product, including additives, whether processed, partially processed or unprocessed, intended to be used for oral feeding to animals; and Food means any substance or product, whether processed, partially processed or unprocessed, intended to be, or reasonably expected to be ingested by humans. 'Food' includes drink, chewing gum and any substance, including water, intentionally incorporated into the food during its manufacture, preparation or treatment. It includes water after the point of compliance as defined in Article 6 of Directive 98/83/EC and without prejudice to the requirements of Directives 80/778/EEC and 98/83/EC. 'Food' shall not include:

- Feed;
- Live animals unless they are prepared for placing on the market for human consumption;
- Plants prior to harvesting;
- Medicinal products within the meaning of Council Directives 65/65/EEC(1) and 92/73/EEC(2);
- Cosmetics within the meaning of Council Directive 76/768/EEC(3);
- Tobacco and tobacco products within the meaning of Council Directive 89/622/EEC(4);
- Narcotic or psychotropic substances within the meaning of the United Nations Single Convention on Narcotic Drugs, 1961, and the United Nations Convention on Psychotropic Substances, 1971;
- Residues and contaminants.

Seed means those seeds listed at Schedule 1 of the Seed Marketing Regulations 2011; and Financial Services means Financial Services as defined in section 61(1) of the Sanctions and Anti-Money Laundering Act 2018.

Under this licence Relevant Exporters or DIT Licence Holders may continue:

1. Receiving Funds and Economic Resources from any Person, including from Designated Persons, in connection with the export, sale, production and transport of Agricultural Commodities; or
2. Transferring Funds or Economic Resources as follows:
 - (i) to Relevant Institutions, Insurance Providers or Relevant UK Nationals in connection with the export, sale, production and transport of Agricultural Commodities, including for the purchase of insurance and reinsurance;
 - (ii) to UK Corporates in connection with the export, sale, production and transport of Agricultural Commodities;
 - (iii) to Designated Persons in connection with the export, sale, production and transport of Agricultural Commodities; and
 - (iv) to any other Person in connection with the export, sale, production and transport of Agricultural Commodities.

Under this licence Relevant Institutions, Insurance Providers, UK Corporates or Relevant UK Nationals may continue:

1. Making Funds or Economic Resources available to, or for the benefit of, a Relevant Exporter, DIT Licence Holder or Designated Person in connection with a transaction relating to Agricultural Commodities;
2. Dealing with Funds or Economic Resources in connection with a transaction relating to Agricultural Commodities for/on behalf of a Relevant Exporter, DIT Licence Holder or Designated Person, including processing such Funds;
3. Providing insurance, reinsurance and underwriting services and any other Financial Service to a Relevant Exporter, DIT Licence Holder or Designated Person in connection with a transaction relating to Agricultural Commodities; and
4. Receiving Funds or Economic Resources from a Relevant Exporter or DIT Licence Holder in connection with a transaction relating to Agricultural Commodities, or from a Designated Person in accordance with paragraph 6 below.

Under this licence Designated Persons may continue:

1. Transferring Funds to Relevant Institutions or Insurance Providers to:
 - (i) Pay for insurance and reinsurance services in connection with a transaction relating to Agricultural Commodities;
 - (ii) Pay Banking Fees in connection with a transaction relating to Agricultural Commodities; and
 - (iii) Effect and/or process the transactions referred to in paragraphs 6(b) and (c) below.
2. Transferring Funds or Economic Resources to Relevant Exporters, DIT Licence Holders or UK Corporates in connection with the export, sale or production of Agricultural Commodities; and
3. Receiving Funds or Economic Resources from Relevant Exporters, DIT Licence Holders, UK Corporates, Relevant Institutions or Insurance Providers in connection with the export, sale or production of Agricultural Commodities.

Any Relevant Institution may carry out any activity necessary to effect the permissions listed in this licence.

On 06 June 2023 General Licence INT/2022/2349952 was amended to:

- Add a definition of the Grain and Feed Trade Association (GAFTA);
- Make clear that paragraph 4 does not apply to paragraphs 6(a) and 7(a);
- Allow GAFTA to receive Funds and Economic Resources from any Person, including from Designated Persons, in connection with the direct and indirect provision of services related to contracts for the trade in Agricultural Commodities, by or on behalf of GAFTA;
- Allow Insurance Providers to provide professional indemnity insurance services to GAFTA in connection with direct and indirect services related to Agriculture Commodities;
- Allow any Relevant Institution which holds accounts in GAFTA's name to carry out any activity necessary to effect the permission listed in paragraphs 8 and 9; and
- Make clear that notification requirements do not apply to the GAFTA provisions in paragraphs 8-10.

On 15 December, the General Licence was amended to also permit activity that would otherwise breach the prohibitions in Regulation 17A of the Russia Regulations.

General

The permissions in General Licence INT/2022/2349952 do not authorise any act which the Person carrying out the act knows, or has reasonable grounds for suspecting, will result in Funds or Economic resources being dealt with or made available in breach of the Russia Regulations, save as permitted under this or other licences granted under the Russia Regulations.

General Licence INT/2022/2349952 takes effect from 04 November 2022 and is of indefinite duration. HM Treasury may vary, revoke or suspend this licence at any time.

Notification requirements

With the exception of paragraph 8-10, a Person must provide written notice to HM Treasury that it is conducting activity permitted under this licence within 7 days of commencing the activity and must supply HM Treasury with their current, valid contact details.

Notification provided above does not constitute verification by HM Treasury that activity purporting to be permitted under this licence is permitted.

Record-keeping requirements

A Person must keep accurate, complete, and readable records, on paper or electronically, of any activity purporting to have been permitted under this licence for a minimum of 6 years.

Office of Financial Sanctions Implementation

HM Treasury