



Treasury Committee

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Jim Harra
Chief Executive
HM Revenue & Customs

Via email

20 June 2022

Dear Jim,

I write to you as part of the Treasury Committee's inquiry on '[Russia: effective economic sanctions](#)'. I would be grateful if you could answer the following questions to assist our understanding of the responsibilities of HM Revenue & Customs (HMRC) regarding trade sanctions:

Trade sanctions enforcement

1. Please provide an overview of HMRC's responsibilities regarding trade sanctions enforcement.
2. Please provide an overview of HMRC's recent work regarding trade sanctions enforcement, including:
 - (a) A breakdown of annual public and non-public outcomes achieved from 2016 onwards; and
 - (b) A summary account of criminal proceedings initiated.
3. How many reports of trade sanctions breaches has HMRC received each year from 2016 onwards?
 - (a) What proportion of investigations are initiated by voluntary disclosures from entities in breach of sanctions compared with other sources of intelligence?
4. What steps are taken by HMRC and other government departments and international partners to share information and co-operate in other ways in order to facilitate effective enforcement action?
 - (a) Is there scope to increase information sharing and co-operation with partners on enforcement? Are there any legislative or practical barriers?
5. Do you work with the other organisations (such as the NCA and OFSI) with responsibility for economic sanctions enforcement to develop and share best practice?
6. What is your assessment of the current level of compliance with trade sanctions in the UK?
 - (a) Does this vary by industry sector or firm size?
 - (b) Are there areas of particular concern?

7. Does HMRC feed into non-enforcement aspects of trade sanctions, such as design and implementation?

Response to Ukraine

8. Please provide an overview of HMRC's response to the recent expansion of trade sanctions against Russia.

9. Has HMRC been involved in, or provided support to, the Government in designing the recent trade sanctions?

10. Has the number of reports of potential sanctions breaches increased since Russia's invasion?

(a) If so, what have been the primary causes?

11. Has there been, or do you anticipate, an increase in enforcement workload in this area?

12. How many full-time equivalent staff does HMRC have working on trade sanctions enforcement?

(a) Has this changed in response to Russia's invasion?

13. To what extent can you draw on resources and expertise from other HMRC enforcement teams to assist with sanctions work?

In line with the Committee's usual practice, I expect that this letter and your response will be placed in the public domain. I would be grateful for a reply by Monday 4 July 2022.

With best wishes



Rt Hon Mel Stride MP
Chair of the Treasury Committee