



Business and Trade Committee

Friday, 13 March 2026

**Sir Chris Bryant MP
Minister of State (Minister for Trade)
Department for Business and Trade
Old Admiralty Building, Admiralty Place
London SW1A 2DY**

Subject: Enforcement of UK trade sanctions: follow-up

Dear Chris,

I write following your appearance before the Business and Trade Sub-Committee on 25 February. The Committee is grateful for the frank exchange on enforcement of the UK's trade sanctions regimes and the information you and your fellow witnesses provided.

There were a number of matters raised during the session on which you committed the Government to provide further information. In addition, we have some further questions relation to DBT's sanctions-related work. We have set these out for your reply below. We are aware of course that these policy issues often cross departmental boundaries, and I would be grateful if your Department could liaise with others where necessary to produce a single response to this letter.

Information requested during the evidence session of 25 February

- The overlap between Common High Priority List of items subject to sanctions under the Russia Sanctions Regulations and the Strategic Export Control List;
- An organisational breakdown of the Office for Trade Sanctions Implementation (OTSI) and its staff; and
- Data on the number of arrests in the last 15 years on suspicion of being "knowingly concerned" in the export of goods with the intent to evade a prohibition or restriction, and how many of those related to sanctions evasion specifically.

End-use licensing for goods subject to sanctions



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Following your announcement that the Government will introduce an end-use export licence regime for items subject to sanctions not already subject to export controls, it would be helpful if you could set out:

- How will this regime operate in practice, and what goods will be subject to this new end-use licensing scheme? Will it include intangible goods such as software?
- Will it apply to all exports of goods within scope, or on a case-by-case basis similar to existing military end-use controls?
- When is the intention for these new controls to be in effect, and will they require primary or secondary legislation?
- Will administration of the scheme be the responsibility of the Export Control Joint Unit, OTSI or another team altogether?
- What additional resources will be made available to the relevant team(s) within your Department to ensure this new licensing scheme can be applied effectively?

Sanctions relating to Russian oil and gas

Sanctions targeting Russia's energy sector are one of the key levers for the UK and its partners to reduce the Kremlin's ability to wage its illegal war on Ukraine. However, as you know, the Committee is concerned about the coherence of UK policy in this respect.

During the session, you noted that the planned legislation to ban the import into the UK of oil products derived from Russian oil would "happen very swiftly". There have been no further announcements since. We also note that the Government's recent sanctions against Russian pipeline companies contain a significant exemption for Transneft's Druzhba oil pipeline in Europe. Separately, the Government has a multi-billion pound contract with TotalEnergies – due for possible renewal this year - for the supply of gas to public buildings, despite that company's continued links to the Russian gas industry.

With that in mind, could you:

- Confirm whether the relevant legislation banning the import of refined Russian oil products is drafted and ready to be introduced in Parliament when time allows, or whether the substance of the legislation is still being finalised;



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- With respect to the recent UK sanctions against Transneft, clarify why the Druzhba pipeline has been exempted; and
- Detail what decision, if any, has been taken on the renewal of the Government's contract with TotalEnergies, and in particular whether the Government believes it is in the UK's interest to continue paying billions of pounds to a company that has continued to profit from Russian gas exports since 2022.

Use of Investor-State Dispute Settlement mechanisms to challenge sanctions

As you are aware, Russian oligarch Mikhail Fridman has lodged a legal challenge against the UK's financial sanctions on him and his companies, using an Investor-State Dispute Settlement (ISDS) mechanism.

While the particulars of Mr. Fridman's claim are not in the public domain, the Government's overall policy towards ISDS matters is your Department's responsibility because they flow from trade and investment agreements with third countries. Since Mr. Fridman is sanctioned because of his close links to the Kremlin, his claim – and those that may follow – could clearly undermine the effectiveness of the UK's sanctions regime. It would effectively allow bilateral investment treaties to be weaponised, through international arbitration tribunals, against a key UK foreign policy objective.

In that context, I would be grateful if you could clarify:

- What assessment has been made of the UK's overall exposure to ISDS cases of this kind, and what steps are being taken to reduce the risk of ISDS challenges against UK sanctions.

We would be grateful for a response by Thursday 26 March.

Yours sincerely,

Rt Hon Liam Byrne MP
Chair of the Business and Trade Committee