

Alert | Export Controls & Economic Sanctions



July 2023

OFSI Updates Guidance on Refusing Licences

HM Treasury announced 26 July that the UK's Office of Financial Sanctions Implementation (OFSI) has amended Section 6.12, Refusal of a licence, of its UK Financial Sanctions, General Guidance, removing the option to *"ask OFSI to review the decision"* in circumstances where OFSI refuses to issue a licence. A licence is a formal authorisation provided by OFSI enabling a designated person to use otherwise frozen funds and/or economic resources for certain identified purposes or activities.

The relevant section now reads:

"If OFSI refuses to issue a licence, the proposed transaction or activities may not be lawful. OFSI will write to you giving reasons for refusing your application.

We may also refuse your application if you do not require a licence for the proposed transaction or activities.

If you have had an application for a licence refused, you have the following options:

- re-apply with new or supplementary evidence or new supporting arguments;
- re-apply under a different derogation (where applicable); or
- seek to challenge the decision in court."

The opportunity to ask OFSI to review its decision was a long-standing option, and its removal leaves the applicant only with costly and time-consuming alternatives. If re-applying with new or supplementary evidence or arguments, as detailed in a recent OFSI blogpost, such re-application will be treated as a new application and will not be prioritised purely because it has been resubmitted. The other option of challenging the decision in court, by way of judicial review, is a lengthy process, taking approximately a year after submission of grounds to be heard by a court. Such an option is likely not conducive with the purpose for which the licence was sought. This decision, announced without prior indication or any stated reasoning, leaves applicants, particularly those without significant resources, with fewer options.

Authors

This GT Alert was prepared by:

- Annabel Thomas | +44 (0) 203.349.8700 | Annabel.Thomas@gtlaw.com
- Gavin Costelloe | +44 (0) 203.349.8700 | Gavin.Costelloe@gtlaw.com
- Bethany Histed | +44 (0) 203.349.8700 | Bethany.Histed@gtlaw.com

Additional Contact

• Kara M. Bombach | +1 202.533.2334 | Kara.Bombach@gtlaw.com

Albany. Amsterdam. Atlanta. Austin. Berlin.¬ Boston. Charlotte. Chicago. Dallas. Delaware. Denver. Fort Lauderdale. Houston. Las Vegas. London.* Long Island. Los Angeles. Mexico City.+ Miami. Milan.» Minneapolis. New Jersey. New York. Northern Virginia. Orange County. Orlando. Philadelphia. Phoenix. Portland. Sacramento. Salt Lake City. San Diego. San Francisco. Seoul.∞ Shanghai. Silicon Valley. Singapore.= Tallahassee. Tampa. Tel Aviv.^ Tokyo.¤ Warsaw.~ Washington, D.C.. West Palm Beach. Westchester County.

This Greenberg Traurig Alert is issued for informational purposes only and is not intended to be construed or used as general legal advice nor as a solicitation of any type. Please contact the author(s) or your Greenberg Traurig contact if you have guestions regarding the currency of this information. The hiring of a lawyer is an important decision. Before you decide, ask for written information about the lawyer's legal qualifications and experience. Greenberg Traurig is a service mark and trade name of Greenberg Traurig, LLP and Greenberg Traurig, P.A. ¬Greenberg Traurig's Berlin office is operated by Greenberg Traurig Germany, an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. *Operates as a separate UK registered legal entity. +Greenberg Traurig's Mexico City office is operated by Greenberg Traurig, S.C., an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. »Greenberg Traurig's Milan office is operated by Greenberg Traurig Santa Maria, an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. ∞Operates as Greenberg Traurig LLP Foreign Legal Consultant Office. =Greenberg Traurig's Singapore office is operated by Greenberg Traurig Singapore LLP which is licensed as a foreign law practice in Singapore. A Greenberg Traurig's Tel Aviv office is a branch of Greenberg Traurig, P.A., Florida, USA. ¤Greenberg Traurig's Tokyo Office is operated by GT Tokyo Horitsu Jimusho and Greenberg Traurig Gaikokuhojimubengoshi Jimusho, affiliates of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. ~Greenberg Traurig's Warsaw office is operated by GREENBERG TRAURIG Nowakowska-Zimoch Wysokiński sp.k., an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. Certain partners in GREENBERG TRAURIG Nowakowska-Zimoch Wysokiński sp.k. are also shareholders in Greenberg Traurig, P.A. Images in this advertisement do not depict Greenberg Traurig attorneys, clients, staff or facilities. No aspect of this advertisement has been approved by the Supreme Court of New Jersey. ©2023 Greenberg Traurig, LLP. All rights reserved.