

27 September 2024

Ref: FOI2024/12309

Dear [REDACTED]

## Freedom of Information Act 2000

Thank you for your enquiry of 21 August 2024, which we have considered under the terms of the Freedom of Information Act 2000 (the FOI Act).

You asked for the following information:

*This request is being made under the Freedom of Information Act.*

1. *Since December 2022, how many investigations has OFSI opened into suspected breaches of the oil price cap introduced on Russian oil?*
2. *How many of these investigations concluded that there had been a breach?*
3. *How many of these breaches led to a monetary penalty?*
4. *What is the total value of those monetary penalties?*
5. *How many of the investigations covered by question 1 are currently live?*
6. *How many of the investigations covered by question 1 involve a British company/organisation?*
7. *How many of the breaches covered by question 2 involve a British company/organisation?*
8. *How many of the monetary penalties covered by question 3 involve a British company/organisation?*
9. *What is the total value of the monetary penalties covered by question 8?*
10. *How many of the investigations covered by question 5 involve a British company/organisation?*
11. *Has any assessment been made of how much Russian oil sold below the oil price cap or refined products using Russian oil sold below the price cap has/have been imported into the UK? If yes, please provide those estimates – either in monetary or absolute terms.*

*If you are experiencing any issues in complying with my request, please do not hesitate to contact me.*

Following a search of our records, we can confirm that HM Treasury does hold information within the scope of your request.

Under regulations 46Z9B, 46Z9C, and 46Z9D of the Russia (Sanctions) (EU Exit) Regulations 2019 ("the Regulations") it is prohibited to provide maritime transportation, financial services, funds, or brokering services to anyone globally for the purpose of or in

connection with the supply or delivery by ship of harmonised system (HS) code 2709 or HS 2710 oil or oil products, from a place in Russia to a third country, or from one third country to another third country.

General Licence INT/2022/2469656 (until 18 February 2024) replaced by General Licence INT/2024/4423849 (from 19 February 2024) (together “the General Licence”) permits such activity if the unit price of the oil to be supplied or delivered, or being supplied or delivered, is or will be at or below a stated price cap, known as the Oil Price Cap (currently USD 60 for HS 2709 crude oil, USD 100 for “premium to crude”, and USD 45 for “discount to crude”).

The ban on maritime transportation and associated services and the Oil Price Cap exemption came into effect for Russian crude oil on 5 December 2022 and refined oil products on 5 February 2023.

The Regulations apply to conduct by UK persons – both national and corporate bodies – anywhere in the world.

Turning to your questions (grouped as relevant):

Turning to your questions individually:

1. *Since December 2022, how many investigations has OFSI opened into suspected breaches of the oil price cap introduced on Russian oil?*
5. *How many of the investigations covered by question 1 are currently live?*
6. *How many of the investigations covered by question 1 involve a British company/organisation?*
10. *How many of the investigations covered by question 5 involve a British company/organisation?*

Between 5 December 2022 and 21 August 2024 (the date of your request), there were 60 investigations into suspected breaches of the Regulations opened by OFSI.

As of 21 August 2024, there were 52 investigations into suspected breaches of the Regulations opened by OFSI that had a UK nexus.

As of 21 August 2024, there were 42 cases that remained open and under investigation.

As of 21 August 2024, of the 42 cases that were open and under investigation, 37 had a UK nexus.

3. *How many of these breaches led to a monetary penalty?*
4. *What is the total value of those monetary penalties?*
8. *How many of the monetary penalties covered by question 3 involve a British company/organisation?*
9. *What is the total value of the monetary penalties covered by question 8?*

Between 5 December 2022 and 21 August 2024 (the date of your request), OFSI issued 0 monetary penalties in response to confirmed breaches of the Regulations. Therefore, the total value of these monetary penalties is £0 and there was no UK nexus.

11. *Has any assessment been made of how much Russian oil sold below the oil price cap or refined products using Russian oil sold below the price cap has/have been imported into the UK? If yes, please provide those estimates – either in monetary or absolute terms.*

HM Treasury has not conducted any such assessment.

2. *How many of these investigations concluded that there had been a breach?*
7. *How many of the breaches covered by question 2 involve a British company/organisation?*

1. In relation to the information you have requested in questions 2 and 7, we consider that this information engages the exemption provided for at section 31(1)(a) of the FOI Act, which exempts information from disclosure where it would, or would be likely to prejudice the prevention and detection of crime. We consider that this exemption is engaged, because the release of the information you have requested would be likely to prejudice ongoing investigations, and/or aid those attempting to evade or breach the Oil Price Cap.

Section 31(1)(a) is a qualified exemption, and we are required to balance the public interest between disclosure and non-disclosure. In favour of disclosure, we acknowledge that there is a general public interest in transparency to improve public understanding of how Government works, and that disclosure of this information might provide some assurance on the extent to which the Department is enforcing the Oil Price Cap.

However, in favour of withholding the information, we consider that release of the information would aid a criminal intent on circumvention, evasion or breaching of the Oil Price Cap, which would not be in the public interest. We also consider that there is a strong public interest in ensuring that public authorities are able to carry out their functions properly, and that disclosure of information which would be likely to prejudice OFSI's enforcement responsibilities would not be in the public interest.

We have therefore concluded that the public interest balances in favour of withholding the information in scope of your request.

If you have any queries about this letter, please contact us. Please quote the reference number above in any future communications.

Yours sincerely,

Information Rights Unit

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Email: [foirequests@hmtreasury.gov.uk](mailto:foirequests@hmtreasury.gov.uk)

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

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The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF (or via their website at: <https://ico.org.uk>).