

On 29 June 2024, the Council of the EU extended its restrictive measures against Republic of Belarus (Belarus) due to its involvement in Russia’s continued aggression against Ukraine. These measures aim to prevent Belarus from facilitating the evasion of sanctions against Russia and are in line with the EU’s recent efforts to strengthen existing prohibitions introduced by the 14th package of sanctions.

The expanded sanctions cover a wide range of sectors, including trade, services and transport. In particular, export restrictions have been extended to include dual-use and advanced technology goods, as well as all types of goods that contribute to the enhancement of Belarus’ industrial capacity, maritime navigation equipment, oil refining technology and certain luxury goods.

Further restrictions also apply to imports, prohibiting goods that facilitate revenue diversification. These include items such as gold, diamonds, helium, coal and other mineral products, including crude oil. The latter measure has been supplemented by a new ban on goods and technology suitable for use in oil refining and natural gas liquefaction.

In the transport sector, EU operators with significant Belarusian ownership, specifically 25% or more, are prohibited from engaging in road transport activities within the EU, including transit. With new amendments, the transit via the territory of Belarus of dual-use goods and technology, goods and technology which might contribute to Belarus’s military and technological enhancement or to the development of its defence and security sector, goods which could contribute in particular to the enhancement of Belarusian industrial capacities, goods and technology suited for use in aviation or the space industry and arms is prohibited.

In addition, the provision of certain services such as accounting, auditing, tax consultancy and public relations is prohibited. Unlike the comprehensive ban on professional services imposed on Russia, this prohibition is limited to the provision of these services to Belarus, its government, public bodies, corporations and agencies.

Furthermore, in an effort to prevent circumvention, EU exporters are now required to include a “no-Belarus clause” in their contracts. This reproduces the “no-Russia clause”, which explicitly prohibits the re-export of sensitive goods and technology to Belarus or for use in Belarus.

Finally, to protect EU operators, measures have been introduced to allow them to seek compensation for damages resulting from claims which were lodged with courts in third countries in connection with contracts being affected by Belarusian sanctions enforcement or expropriation in cases where national or corporate remedies are unavailable.

Ultimately, these new measures are designed to increase pressure on both Belarus and Russia, thereby strengthening the overall effectiveness of EU sanctions against Russia. By mirroring some of the restrictive measures already in place against Russia, the EU aims to address the problem of circumvention arising from the high degree of integration between the Russian and Belarusian economies.

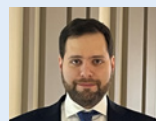
Contacts



José María Viñals
Partner, Madrid/Brussels
T +34 91 426 4840
T +34 649 133 822
E josemaria.viñals@squirepb.com



Diego Sevilla Pascual
Senior Associate, Brussels
T +322 627 7612
E diego.sevillapascual@squirepb.com



Tigran Piruzyan
Senior Associate, Madrid
T +34 618 017 354
E tigran.piruzyan@squirepb.com



María Vara
Associate, Madrid
T +34 638 67 83 77
E maria.vara@squirepb.com