



## UK, EU and US sanctions on Russia

08 October 2024

---

### UK, EU and US Sanctions on Russia and Belarus update as of 8 October 2024

With the rapid expansion of UK, EU and US sanctions on Russia and Belarus in recent weeks - and with more in the regulatory pipeline - we set out:

#### 1. WHAT'S NEW

##### UK

- On 1 October 2024, [the UK amended General Licence INT/2023/3179120](#) (Payment to Water Companies for Water & Sewage). The General Licence permits UK designated persons to make certain permitted payments to water companies from a frozen UK bank account, or for any person to make permitted payments to water companies on behalf of a designated person. The General Licence also permits water companies to make return payments to frozen UK bank accounts. The updated General Licence amends the definitions of "UK DPs" and "Return Payments".
- On 1 October 2024, [the UK sanctioned 16 members](#) of prolific Russian cyber-crime gang 'Evil Corp'. Evil Corp's malicious cyber activity has involved a concerted effort to compromise UK health, government and public sector institutions. Among those sanctioned is Maksim Yakubets, who has led the group's operations. The designations have been made alongside the US and Australia.
- On 1 October 2024, [the UK added two FAQs to the Financial Sanctions FAQs](#):
  - FAQ 121 clarifies that internal settlements of Russian securities between two counterparts with sub-accounts held within the same non designated financial institution / central securities depository do not engage UK sanctions, so can be undertaken without an OFSI licence. This is provided certain conditions are met; such as that the transaction does not involve the payment of any fee to a designated person.
  - FAQ 122 relates to the trust services sanctions and clarifies that the prohibitions apply regardless of the location of the trust if the services are provided to a designated person, or benefits persons connected with Russia.
- On 30 September 2024, [the UK announced the removal of the licensing consideration](#) which relates to the provision of intra-corporate services by UK parent companies and subsidiaries to Russian subsidiaries. The change will apply from 31 October 2024, meaning that any company wishing to provide intra-corporate services to their Russian subsidiary must explicitly demonstrate how the provision of any ongoing service aligns with the overarching purpose of the sanctions. Licensing applications submitted before 31 October 2024 will not be affected.

- On 27 September 2024, [OFSI announced that it had issued a monetary penalty](#) to Integral Concierge Services ("**ICSL**") for breaches of the Russian financial sanctions regime. The penalty relates to the property management services ICSL provided to a designated person subject to an asset freeze. 26 payments were made or received by ICSL between 2022 and 2023 in relation to these services. A penalty of £15,000 was given to ICSL.
- On 26 September 2024, the [UK sanctioned five ships and two entities](#) involved in the Russian Liquefied Natural Gas ("**LNG**") sector. This is the first time the UK has used its new ship specification power to directly target LNG vessels. The ships sanctioned include the Pioneer, Asya Energy and Nova Energy. The two sanctioned entities are Ocean Speedstar Solutions OPC and White Fox Ship Management (the operator and managers of the ships).
- On 18 September 2024, [following a meeting of representatives from the UK, US, Australia, Canada and New Zealand \("the E5"\)](#), the E5 gave a joint statement reaffirming their commitment to combatting Russia's circumvention of export controls and sanctions in attempts to obtain dual-use items to support its invasion of Ukraine. The joint statement recognises "*the need for continued dialogue and engagement with industry stakeholders to foster a culture of compliance and responsible business conduct*".

## EU

- On 2 October 2024, [the General Court of the EU gave judgment in three cases](#), rejecting challenges to the prohibition on providing legal advisory services to the Russian Government and Russian entities ([Article 5n of Regulation 833/2014](#)). Key points raised in the judgments include:
  - The prohibition does not breach the right to be advised by a lawyer (protected by the EU Charter of Fundamental Rights ("**the Charter**")). This is because the prohibition does not concern legal advisory services provided in connection with judicial, administrative or arbitral proceedings. Legal advice provided to natural persons also does not fall within the scope of the prohibition.
  - The derogations to the prohibition do not interfere with the protection of the professional secrecy of lawyers (also protected by the Charter). This is because the derogations do not require lawyers to share confidential information without client consent. Member States must also ensure respect for the Charter when defining the arrangements for implementing the exemption procedures.
  - The EU can place limitations on the fundamental role of lawyers in ensuring compliance with and defending the rule of law where they are justified by objectives of general interest and are proportionate.
- On 23 September 2024, [it was reported that the Dutch Public Prosecution Service](#) has agreed a settlement with a company and director suspected of violating Russian sanctions. The allegations concern (i) the payment of dividends to a Russian company that was hiding a sanctioned individual; and (ii) a loan being repaid to a Russian company that is on the EU sanctions list. The sums payable are 195,000 euros by the company and 20,000 euros by the director.
- On 19 September 2024, [the German Federal Criminal police](#) seized the infrastructure of 47 Russian-language no-KYC cryptocurrency exchanges. Reports suggest that the services offered created an avenue for sanctions evasion. It is anticipated that ransomware affiliates, botnet operators and darknet vendors were all users of the 47 targeted exchanges.

- On 11 September 2024, the [EU General Court gave judgment](#) upholding the sanctions listing of Marina Mordashova, who has been sanctioned since 2022 for her association with her husband, Alexey Mordashov. When giving judgment, the Court clarified the "close family member" criterion: providing that the Council demonstrates the existence of a close family relationship and the fact of taking advantage, the Council does not necessarily have to provide evidence to establish that the advantage results in "*an act of complicity with a view to evading the application of sanctions*".

## US

- On 30 September 2024, [the US Treasury issued General License 13K](#). This authorises certain administrative transactions which would otherwise be prohibited by Directive 4 under Executive Order 14024 (*Prohibitions Related to Transactions Involving the Central Bank of the Russian Federation, the National Wealth Fund of the Russian Federation, and the Ministry of Finance of the Russian Federation*). The administrative transactions include the payment of taxes, fees and import duties.
- On 26 September 2024, [OFAC announced that it has sanctioned Ivanov and Cryptex](#), a virtual currency exchange registered in St Vincent and the Grenadines and operating in Russia. The designations are part of a coordinated effort to disrupt Russian cybercrime services.
- On 24 September 2024, [OFAC published a new Russia-related FAQ](#). The FAQ clarifies the ability of a US company to provide services prohibited by the US IT and Software Services Determination to the employees or contractors of a Russian subsidiary located in Russia under the exclusion "*any service to an entity located in the Russian Federation that is owned or controlled directly or indirectly by a US person*". The FAQ clarifies that such services can be provided, so long as they are within the employees' or contractors' scope of employment and are for or on behalf of the US subsidiary company located in Russia.
- On 19 September 2024, [OFAC designated a network of five entities and one individual](#), which has enabled and supported ongoing efforts to establish illicit payment mechanisms between Russia and the DPRK. Those sanctioned include MRB Bank, Russian Financial Corporation Bank JSC and Stroytreid LLC.
- On 16 September 2024, [the US Attorney's Office announced that Denis Postovoy](#), a Russian citizen living in Florida, had been arrested following an indictment charging him (amongst other allegations) with conspiring to violate the Export Control Reform Act. The indictment relates to allegations that Postovoy procured and illicitly exported microelectronic components with military applications from the US to Russia.
- On 13 September 2024, [the US sanctioned two entities and one individual](#) for their alleged involvement in attempts to interfere with the Moldovan presidential election. The entities sanctioned are Rossiya Segodnya and TV-Novosti. The individual sanctioned is Dmitry Konstantinovich Kiselev, the Director General of Rossiya Segodnya.

## G7

- On 24 September 2024, [the G7 published, for the first time, joint guidance](#) for industry on preventing evasion of the export controls and sanctions imposed on Russia. The aim in publishing the guidance is to "*protect common high priority list items from misappropriation, prevent reputational harm, and mitigate liability risk, all while supporting the continued success of coordinated export controls and sanctions*". The joint guidance outlines the following priority areas:

- Items that pose a heightened risk of being diverted to Russia;
- Red flag indicators of potential export control and/or sanctions evasion; and
- Best practices for industry to use to address these red flags and conduct enhanced due diligence.

## 2. YOUR 5-STEP CHECKLIST

### 1. Which countries' sanctions apply to your activities?

The UK, EU, US and other countries' sanctions typically must be observed if there is a sufficient nexus to confer jurisdiction, that is if:

- their nationals (individuals) are involved, wherever they are in the world (in the case of US sanctions, this includes US permanent residents/Green Card holders);
- any part of a transaction is conducted within their territory or airspace; and
- legal entities incorporated or constituted under their law, including foreign branches are involved; or
- with respect to US sanctions, if a transaction is conducted in US dollars or clears through the US financial system, or data is routed through servers in the US, or other back office support or facilitation is provided by US persons (including service requests to an equipment supplier). Non-US persons may be penalised if they cause US persons to violate US sanctions, for example omitting reference to the involvement of a sanctioned party or jurisdiction to a financial transaction involving a US person.

UK sanctions may also apply to non-UK persons outside the UK if there is a sufficient nexus. This will depend on the facts of each case but could include:

- transactions using clearing services in the UK;
- actions by a local subsidiary of a UK company;
- actions directed from within the UK; and/or
- financial products or insurance bought on UK markets but held or used overseas.

Additionally, US 'secondary sanctions' may be applied to non-US persons outside the US in the absence of any US nexus if a transaction involves sanctionable conduct that would be prohibited to a US person and that is determined by the US authorities to be a 'significant' transaction or otherwise provides material support to a sanctioned party. Whether a transaction is 'significant' is based on a number of open-ended criteria e.g. the size, number and frequency of transactions.

Further, US export control restrictions may apply even if sanctions do not. For example, US export controls will apply if US-origin goods, software or technology located in a third country are re-exported, regardless of whether a U.S. person is involved in the transaction.

### 2. Are any of your business partners subject to an asset freeze?

The UK, EU, US and others have imposed asset freezes ('blocking sanctions' in US terms) on most Russian banks and strategic industries (e.g. defence, transport, research, media and aerospace), and senior individuals in the Russian government, state-owned corporations and major businesses, including

family members, and they are continuing to add new names to their national lists of such 'designated persons'.

An asset freeze generally requires those within the scope of the national sanctions, as described at step 1 (above), to:

- freeze any assets of the designated parties that they may hold and to report these to their authorities;
- not make any funds or economic resources available to them, directly, indirectly or for their benefit;

US and some EU restrictions go further and prohibit all transactions with the designated (i.e. listed) party.

The same restrictions also apply to any non-designated entity that is:

1.
  1. 'owned' by a designated party or parties. The US and EU threshold is 50% or more, while the UK threshold is 'more than 50%'. The US and the EU (in guidance) consider the criterion met if the aggregated ownership of two or more designated parties exceeds the threshold. The UK recognises aggregated ownership only if there is evidence of a joint arrangement between two or more designated parties; or
2.
  2. (in the UK/EU, not the US) 'controlled' by a designated entity (i.e. able to ensure the affairs of the undesignated entity are conducted in accordance with their wishes, for example through controlling a majority of voting shares or having the right to appoint or remove a majority of the board of directors).

It is often challenging to reach a definitive view of whether this 'control' criterion is applicable, for example if a majority shareholder becomes sanctioned and passes some of their shares to unsanctioned family members or to business associates. If you would like assistance on these issues, do get in touch.

If you do business with Russia or Belarus, you should screen your business partners - banks, suppliers, customers, distributors – against the applicable national sanctions lists and, given the current rapid pace of developments, set up alerts for new designations, in order to be able to identify any relevant new sanctions measures without delay. In some instances, the measures include exceptions or general licences that provide for a wind-down period, but others may have immediate effect. Note that asset freezes on Russian banks may prevent you from receiving or making payments to business partners or to employees.

It should also be noted that, while there are many similarities between the respective national lists, there are also significant differences. For example, a Russian company might be subject to EU sanctions but not to UK or US sanctions. In such cases, it may be possible for UK persons to do business with the Russian company provided that there is no EU nexus (as described in step 1 above), including that any EU nationals are recused.

### **3. Are any of your activities affected by other financial sanctions?**

Short of an asset freeze, sanctions measures may restrict or prohibit:

- granting new loans or credit (including payment terms);
- sanctioned banks from clearing payments in certain currencies;
- dealing in transferable securities and money market instruments issued by sanctioned parties;
- the size of bank deposits by nationals of sanctioned countries;
- the access of sanctioned banks to the SWIFT messaging systems; transactions with the Russian Central Bank and certain State-owned enterprises;
- new investment or acquisitions and the provision of investment services.

The screening of your business partners, including banks, should check for the application of any of these restrictions. However, note that there may be exceptions, grounds for licensing and/or wind-down periods.

#### **4. Are your products or services restricted?**

Trade sanctions may restrict or prohibit:

- the sale, supply, transfer or export to Russia/Belarus, directly or indirectly, of certain goods and technology beyond those that are normally subject to export controls. This generally includes related financial services, brokering and technical assistance (e.g. repair, maintenance). The restrictions may be focused on only certain designated entities. There may be exceptions, grounds for licensing and/or wind-down periods;
- the import, purchase, transport or insurance of certain goods or technology from, or originating in, Russia/Belarus – notably including oil – with similar related provisions as those for exports;
- accounting, tax consulting, business and management consulting, public relations, architectural, engineering, IT consultancy, legal advisory and trusts services;
- closure or airspace and ports to aircraft and ships;
- more wide-ranging embargoes on most finance and trade with certain regions (previously Crimea, now extended to the occupied areas of Donetsk and Luhansk).

#### **5. Do you have the right measures in place to mitigate your risks?**

Given the evolving and expanding scope of sanctions, have you audited your compliance programmes and contractual commitments to make sure you are mitigating any risks? For example, have you:

- Updated your compliance policies and procedures, ensuring they are proportionate and workable?
- Reviewed your technology infrastructure to support your day-to-day compliance (e.g. with on-boarding clients and service providers or providing IP/geolocation support for your KYC process)?
- Tailored and updated your training for your compliance leads and others across your business?
- Reviewed whether your contracts enable you (or the counterparty) to suspend or terminate it without liability or serious risk of challenge, whether through a specific sanctions provision or other clauses such as the material adverse change clause?

**Don't miss a thing, subscribe today!**

Stay up to date by subscribing to the latest International Trade insights from the experts at Fieldfisher.

[Subscribe now](#)

### 3. YOUR SANCTIONS SUMMARY

We set out below a high-level overview of the current UK, EU and US sanctions in addition to asset freezes (as set out above).

Please note that exceptions, grounds for licensing and wind-down periods often apply to specific sanctions; if you would like an analysis as to the legality of a particular transaction, trade or matter, do get in touch.

#### UNITED KINGDOM

##### Financial services:

- A ban on dealing with transferable securities and money market instruments or issuing new loans or credit with a maturity exceeding 30 days to:
  - an entity listed in Schedule 2 or their subsidiaries;
  - a “person connected with Russia” (an individual located in or ordinarily resident in Russia, or an entity domiciled, incorporated or constituted under the law of Russia);
  - an entity owned by or acting on behalf/at the direction of such as person; or the Government of Russia;
  - by a person not connected with Russia where the purpose of the loan or credit is to make a new investment in Russia;
- A ban on UK credit or financial institutions establishing or continuing a correspondent banking relationship with, or processing payments to from or via, a designated person;
- A ban on financial services for foreign exchange reserve and asset management to the Central Bank of the Russian Federation, the Russian National Wealth Fund and the Ministry of Finance, and persons owned or controlled directly or indirectly by them or acting on their behalf or direction;
- A ban on new investment, specifically the:
  - direct acquisition of any ownership interest in Russian land and entities connected with Russia;
  - indirect acquisition of any ownership interest in Russian land and entities connected with Russia for the purpose of making funds or economic resources available to, or for the benefit of, persons connected with Russia;
  - direct or indirect acquisition of any ownership interest in entities with a place of business in Russia (which are not persons connected with Russia) for the purpose of making funds or economic resources available (directly or indirectly) to, or for the benefit of, persons connected with Russia;
  - establishment of joint ventures with a person connected with Russia;
  - opening of representative offices and establishing branches and subsidiaries in Russia; and
  - provision of investment services directly related to the above; and
- Selected Russian banks removed from the SWIFT messaging system.

##### Trade:

##### *Exports*

- A ban on the export, supply and delivery, and making available of the following goods and technology, and related services, to Russia:
  - military and internal repression items;
  - advanced technology items: dual-use, 'critical industry', special materials, quantum computing, aviation, maritime and space;
  - a wide range of items mainly for the manufacturing sector and luxury items;
  - infrastructure-related, energy-related and oil refining items, and jet fuel;
  - sterling or EU denominated banknotes; and
  - the supply and delivery of certain revenue generating goods from Russia to third countries, except those with important humanitarian or civilian use such as certain agricultural and energy-related goods.

### *Imports*

- A ban on the import or acquisition of the following goods and technology consigned from or originating in Russia, as well as related services:
  - oil and oil products, LNG, and coal and coal products;
  - iron and steel items, including of Russian iron and steel goods that have been processed in third countries;
  - a range of materials and manufactured items generating revenue for Russia;
  - gold and gold jewellery;
  - diamonds, including certain diamonds processed in third countries, and diamond jewellery;
  - a 35% tariff on imports of certain goods originating in Russia and Belarus; and
  - certain Russian metals, and articles thereof, including copper, nickel, aluminium, lead, zinc, tin, tungsten and other base metals.

### *Services*

- A ban on the provision of the following services:
  - maritime transport, insurance and other financial services for ships carrying Russian crude oil/refined oil products to or between third countries, unless the crude oil/refined oil products has been sold below a specific price cap;
  - trust services, accounting, business and management consulting, public relations, advertising, architectural, auditing, engineering and IT consultancy and design services to persons connected with Russia;
  - legal advisory services to any person who is not a UK person in relation to any activity which would, if carried out by a UK person or in the UK, contravene UK sanctions on Russia, except legal representation, compliance with UK statutory obligations and whether an act complies with UK sanctions. A General Trade Licence authorises certain such services; and
  - social media, internet services and app stores are required to block content from RT and Sputnik.
- A ban on all Russia-owned or operated aircraft from UK airspace and landings, and on aviation technical assistance to, or for the benefit of, designated people/entities.
- A ban on specified ships or Russia-owned or operated ships from entering ports in the UK and on shipping technical assistance to, or for the benefit of, designated people/entities.



## *Crimea, Donetsk and Luhansk*

- A ban on:
  - finance and investment;
  - the export, supply and delivery, and making available of the following goods and technology, and related services: military, infrastructure-related goods and tourism services;
  - all imports.

## Belarus

- Restrictions on dealing with transferable securities or money-market instruments;
- A ban on providing insurance and re-insurance to the Belarusian Government and Belarusian public bodies and agencies;
- A ban on the export, supply and delivery, and making available of the following goods and technology, and related services, to Belarus: military and internal repression; dual-use, critical industry, quantum computing, advanced materials, certain minerals, oil refining items, luxury goods, banknotes, materials that could be used to produce chemical and biological weapons, and machinery-related goods;
- A ban on the import or acquisition of the following goods and technology consigned from or originating in Belarus, as well as related services: oil products, iron, steel, potash, tobacco, gold, processed gold, gold jewellery, cement, rubber and wood;
- Ban on Belarusian and other specified ships from entering UK ports, and aircraft from UK airports; and

An obligation (subject to criminal penalties and enforced by OFCOM) on social media services, internet access services and application stores to take reasonable steps to prevent users from accessing online content generated by designated persons.

## **EUROPEAN UNION**

### Financial services:

- Banking:
  - A ban on the provision of SWIFT services to most Russian banks;
  - A ban on EU entities that operate outside of Russia connecting with the Russian Central Bank's 'System for Transfer of Financial Messages' (SPFS);
  - A ban on transactions with Russia's central bank;
  - A ban on deposits from Russian nationals or legal persons if the total value exceeds 100,000 EUR;
  - A ban on the provision of crypto-asset wallet, account or custody services to Russian persons and residents and a ban on Russian nationals or persons residing in Russia owning, controlling or holding any posts on the governing bodies of entities providing such services;
  - A ban on the sale of banknotes and transferrable securities denominated in any official currencies of the EU member states; and
  - a requirement to notify transfers of funds out of the EU exceeding 100,000 EUR during a quarter (starting on 1 May 2024) by EU entities owned more than 40% by Russian nationals (irrespective of

where they are resident or of dual citizenship), entities established in Russia or persons residing in Russia.

- Investment:
  - A ban on investment, participation or contribution to projects co-financed by the Russian Direct Investment Fund;
  - A ban on transactions with the Russian Regional Development Bank, Russian Maritime Register of Shipping and other specified state-owned enterprises;
  - A ban on providing credit rating services, or access to any subscription services in relation to credit rating activities, to any Russian person, resident, entity or body;
  - A ban on new investments in the Russian energy and mining sectors (except certain metals);
  - A ban on dealing in transferable securities (including crypto-assets), or money-market instruments of any maturity, issued by certain listed Russian entities and on new loans and/or credit to them;
  - A ban on the listing and provision of services in relation to shares of Russian state-owned entities on EU trading venues;
  - A ban on EU central securities depositories services for transferable securities issued after 12 April 2022 to any Russian persons;
  - The exclusion of all financial support to Russian public bodies; and
  - A ban on EU political parties and foundations, NGOs (including think tanks) and media service providers in the EU from accepting funding from Russia.

## Trade:

### *Exports*

- A ban on the export, supply and delivery, and making available of the following goods and technology, and related services, to Russia:
  - military, internal repression, dual-use and advanced technologies including quantum computers, high-end electronics, software, sensitive machinery and transportation;
  - energy industry (except nuclear and energy transport), oil refining, coal and coking coal;
  - aviation, jet fuel and space;
  - luxury goods;
  - maritime navigation;
  - items which may contribute to Russia's military, industrial and technological enhancement including coal, certain electronic components, certain machinery components, chemicals, torture goods, lithium batteries, thermostats, DC motors and servomotors for unmanned aerial vehicles, construction-related goods, processed steel, copper and aluminium goods, lasers, all-terrain vehicles and certain machine tools; and
  - any goods or technology for the completion of LNG projects.
- A requirement for EU exporters to contractually prohibit their customers in third countries (with the exception of partner countries) from i) re-exportation to or for use in Russia of certain sensitive goods, ii) using (or allowing the use of) transferred intellectual property to supply sensitive goods to Russia.
- A requirement for EU exporters of common high priority items and their subsidiaries in third-countries to undertake due diligence to mitigate the risk of re-export to Russia.

- A prohibition to sell or otherwise transfer ownership, directly or indirectly, of tankers for the transport of crude oil or petroleum products whether or not originating in the EU, to any person in Russia or for use in Russia; and a notification obligation for the sale of tankers to any third country.

### *Imports*

- A ban on the import or acquisition of the following goods and technology consigned from or originating in Russia (as well as related services):
- oil and refined products. Direct imports of crude oil by pipeline are permitted for the time being but such oil, and products refined from it, may not be transferred to other Member States or third countries. There is an exception for seaborne products that transit Russia but originate in a third country and are owned by non-Russians;
- coal and other solid fossil fuels;
- products including: wood, cement, fertilisers, seafood, liquor, iron and steel (including products processed in third countries using iron and steel from Russia), machinery and appliances, wood pulp and paper, cigarettes, plastics, vehicles, textiles, footwear, leather, ceramics, certain machinery components, certain chemical products, cosmetics and elements used in the jewellery industry; bitumen and related materials like asphalt; and synthetic rubber and carbon blacks;
- goods which generate significant revenues for Russia, such as liquefied propane gas, pig iron and spiegeleisen, copper wires, aluminium wires, foil, tubes and pipes;
- Russia-origin gold (including jewellery) if it has been exported from Russia into the EU or to any third country;
- diamonds exported from Russia and transiting Russia. There is a phasing-in from 1 March to 1 September 2024 of a ban on Russian diamonds processed in third countries. The ban on jewellery incorporating diamonds originating in Russia has been suspended until G7 countries align;
- LNG through EU terminals that are not connected to the interconnected natural gas system; and
- Ukrainian cultural property.
- A ban on the participation of Russian companies in public procurement in member states.
- A ban on Russian companies or their subsidiaries getting public funding from the EU, Euratom or member states.
- A ban on EU political parties, media and NGOs accepting funding from the Russian government or state-owned companies.

### *Services*

- A ban on the provision of the following services:
  - Maritime transport and insurance to ships carrying Russian crude and petroleum crude oil/ refined oil products to third countries, with an exemption for the provision of insurance where the crude oil/ refined oil products has been sold below a specific price cap;
  - listed Russian state-owned broadcasters broadcasting in the EU, and advertising products or services in any content broadcast by these entities;
  - provision of architectural and engineering services, IT consultancy services, legal advisory services, accounting, auditing, bookkeeping or tax consulting services, business and management consulting, public relations, advertising, market research and public opinion polling services, product testing and technical inspection services to the Government of Russia, or entities established in Russia;

- provision of software for the management of enterprises and for industrial design and manufacture to the Government of Russia, or entities established in Russia;
- all transactions with i) listed state-owned companies including the Russian Maritime Shipping Register ii) listed persons that claim exclusive Russian court competence in sanctions related disputes iii) listed entities that use the Russian Central Bank's SPFS iv) listed financial institutions that facilitate transactions with Russia's defence-industrial base; and
- reloading services for transshipment of Russian LNG, and any services for the completion of LNG projects.
- A ban on EU nationals holding any posts on the governing bodies of any Russian state-owned or controlled legal persons, entities or bodies.

#### *Donetsk, Luhansk, Zaporizhzhia and Kherson*

- With respect to the occupied areas of the oblasts:
  - an import ban on all goods and related services;
  - restrictions on trade and investment related to certain economic sectors;
  - a prohibition on supplying tourism services; and
  - an export ban on goods and technology suited to the transport, telecommunications, energy or oil, gas and mineral sectors; and a ban on the provision of technical assistance, brokering, construction or engineering services to infrastructure in the regions and within the aforementioned sectors.

#### *Access*

- The closure of EU airspace to all Russian-owned, Russian registered or Russian-controlled aircraft, with significant restrictions on 'non-scheduled' (chartered) flights;
- A prohibition on providing port and lock access to vessels registered under the flag of Russia (or having changed their flag to another state after 24 Feb 2022), or certified by the Russian Maritime Register of Shipping;
- A ban on designated vessels from accessing EU territory or services such as finance, technical assistance or crewing;
- A ban on transportation of goods by road within the EU, by Russian entities and EU entities with more than 25% Russian ownership; and
- A ban on new registrations of Russian intellectual property in the EU.

#### *Anti-circumvention*

- Requiring EU parent companies to undertake their "best efforts" to ensure that their third-country subsidiaries do not circumvent sanctions.

#### *Compensation*

- Allowing counter-compensation claims to be filed in Member State courts against sanctions-related compensation claims lodged by persons in third countries.

#### Belarus

- A ban on the sale of banknotes and transferrable securities denominated in any official currencies of the EU member states, or to any natural or legal person, entity or body in Belarus;
- A ban on transactions with the Central Bank of Belarus related to the management of reserves or assets;
- A block on SWIFT services to specified banks;
- Financial and air-traffic sanctions;
- A ban on the listing of, and provision of services in relation to, shares of Belarus state-owned entities on EU trading venues;
- A €100,000 cap on deposits from Belarusian nationals, residents, or entities established in Belarus;
- A ban on the sale of euro-denominated transferable securities issued after 12 April 2022 to Belarusian nationals, residents, or entities established in Belarus;
- A ban on the provision of services by EU central securities depositories to Belarusian nationals, residents, or entities established in Belarus;
- A ban on any Belarusian transportation of goods by road within the EU;
- A ban on the sale, supply, transfer or export, directly or indirectly, to or for use in Belarus and related services of the following goods and technology: military and internal repression, goods and technology suited for use in aviation and the space industry including aircraft engines and drones, firearms and their parts, essential components and ammunition, dual-use and technology and a range of materials, manufactured goods and machinery; and
- An expansion of existing bans on imports from Belarus into the EU of goods for the following products and related services: tobacco, minerals, wood, cement, iron and steel, rubber, and potash.
- On 29 June 2024, the EU [extended sanctions measures](#) against Belarus, to approximate those already in place against Russia. The measures are intended to mitigate the circumvention of Russian sanctions stemming from the high degree of integration between the Russian and Belarusian economies. These include measures that:
  - Require EU exporters to include a "no-Belarus" clause in contracts, to prohibit the re-export to Belarus of sensitive goods and technologies;
  - Require certain EU suppliers of common high priority items (and their non-EU subsidiaries) to implement due diligence mechanisms to assess risk of diversion to Belarus;
  - Extend the export ban on dual-use / advanced goods and technologies, maritime navigations goods and luxury goods;
  - Prohibit transit via Belarus of several sensitive goods;
  - Prohibit the import of gold and diamonds, helium, coal and mineral products, including crude oil;
  - Prohibit the provision of certain services to the Belarus government and its representatives, including accounting and auditing services; business and management consulting or public relations services; architectural and engineering services; legal advisory services; IT consultancy services; advertising and market research services; and specified software for management of enterprises and industrial manufacture;
  - Prohibit the transit of sensitive goods and technologies via Belarus;
  - Require EU parent companies to undertake best efforts to ensure that their non-EU subsidiaries do not undermine EU sanctions; and
  - Allow counter-compensation claims to be filed in Member State courts against sanctions-related compensation claims lodged by persons in third countries.

## UNITED STATES

### Secondary sanctions:

- Secondary sanctions are aimed at discouraging non-US persons from engaging in certain prohibited activities. They extend the reach of US jurisdiction, and in the context of Russia, are authorised to be imposed on:
  - non-US persons who provide material assistance to or in support of persons blocked under E.O. 14024;
  - non-US persons engaged in certain activities for the benefit of the Russian government;
  - non-US financial institutions that the US considers are engaged in activities involving Russia's military-industrial base; and
  - persons who participate in a significant transaction for supply of gold to or from Russia.

### Financial services:

- All forms of new investment in Russia, including the formation of joint ventures and all loans for commercial purposes to persons located in Russia;
- A ban on all transactions involving the Central Bank of the Russian Federation; the National Wealth Fund of the Russian Federation; and the Ministry of Finance of the Russian Federation, and dealing in bonds issued by them after 1 March 2022;
- Blocking sanctions on MOEX, NCC and NSD which prevent US persons from divesting securities if they involve one of these entities;
- The export, re-export, sale or supply of USD denominated banknotes to the Russian government or any person located in Russia.

### Trade:

#### *Exports*

- A ban on the export, supply and delivery, and making available of the following goods and technology, and related services, to Russia:
- military and dual-use items, and a wide range of advanced technologies, encryption products and software including updates;
- a wide range of items, including all of Chapters 84, 85 and 90 of the US HTS (tariff codes), which could contribute to the enhancement of Russian industrial capacities including virtually every kind of machine, engine, electronics device, industrial process equipment, and test/inspection/instrumentation tooling, as well as goods vehicles, and equipment for refrigeration, elevators, construction, printing, textiles, valves, bearings, seals, electrical, radio, railways and testing; and luxury goods;
- The expansion of controls on US-origin and foreign-made (non-US) items and direct products of US technology for listed Russian military end use/r and military-intelligence end use/r;
- A ban on the provision, exportation, or re-exportation, directly or indirectly, of goods, services or technology in support of exploration or production for deepwater, Arctic offshore, or shale projects; and
- The suspension of general licences issued by the Nuclear Regulatory Commission for the export of source material, special nuclear material, by-product material and deuterium to Russia.

## *Imports*

- A ban on the import or acquisition of the following goods and technology consigned from or originating in Russia (as well as related services):
  - Russian-origin fish; seafood; alcoholic beverages;
  - non-industrial diamonds;
  - uranium, gold, aluminium, copper, nickel; and
  - oil, gas, coal and related products.

## *Services*

- A ban on the provision of services related to maritime transport (such as brokering, shipping, insurance) of Russian crude oil/ refined oil products, unless the oil/ refined oil product has been sold below a specific price cap;
- A ban on Russian aircraft from US airspace and the supply of any US-origin or US-controlled items for use in servicing aircraft operated by certain airlines;
- A ban on accountancy, corporate formation, management consultancy, and PR services, quantum computing services, engineering and architecture services, services for the acquisition of aluminium, copper or nickel;
- A ban on IT consultancy and design services, IT support services or cloud-based services for enterprise management software and design and manufacturing software; and
- A ban on US advertising and sales of equipment to Channel One, Russia-1 and NTV.

## *Access*

- A ban on Russian-affiliated vessels entering into US ports

## *Donetsk and Luhansk*

- Comprehensive sanctions on the parts of Donetsk and Luhansk occupied by Russia prohibiting new investment and the import or export of goods, services or technology.

## Belarus:

- Similar bans on exports, imports and investment as apply to Russia.

## **OUR TEAM**

Fieldfisher's experienced multi-disciplinary sanctions and export control team includes lawyers who have negotiated and drafted EU and UN sanctions regimes in Government and regularly provides sanctions advice to businesses operating around the world in a wide variety of sectors. We work closely with US partners to provide coordinated, comprehensive and practical advice to help business understand and manage the impact of sanctions.

For more information please contact [Andrew Hood \(Partner, International Trade\):Andrew.hood@fieldfisher.com](mailto:Andrew.hood@fieldfisher.com) +44(0)330 460 6568

\* The contents of this notice do not constitute legal advice and are provided for general information purposes only.