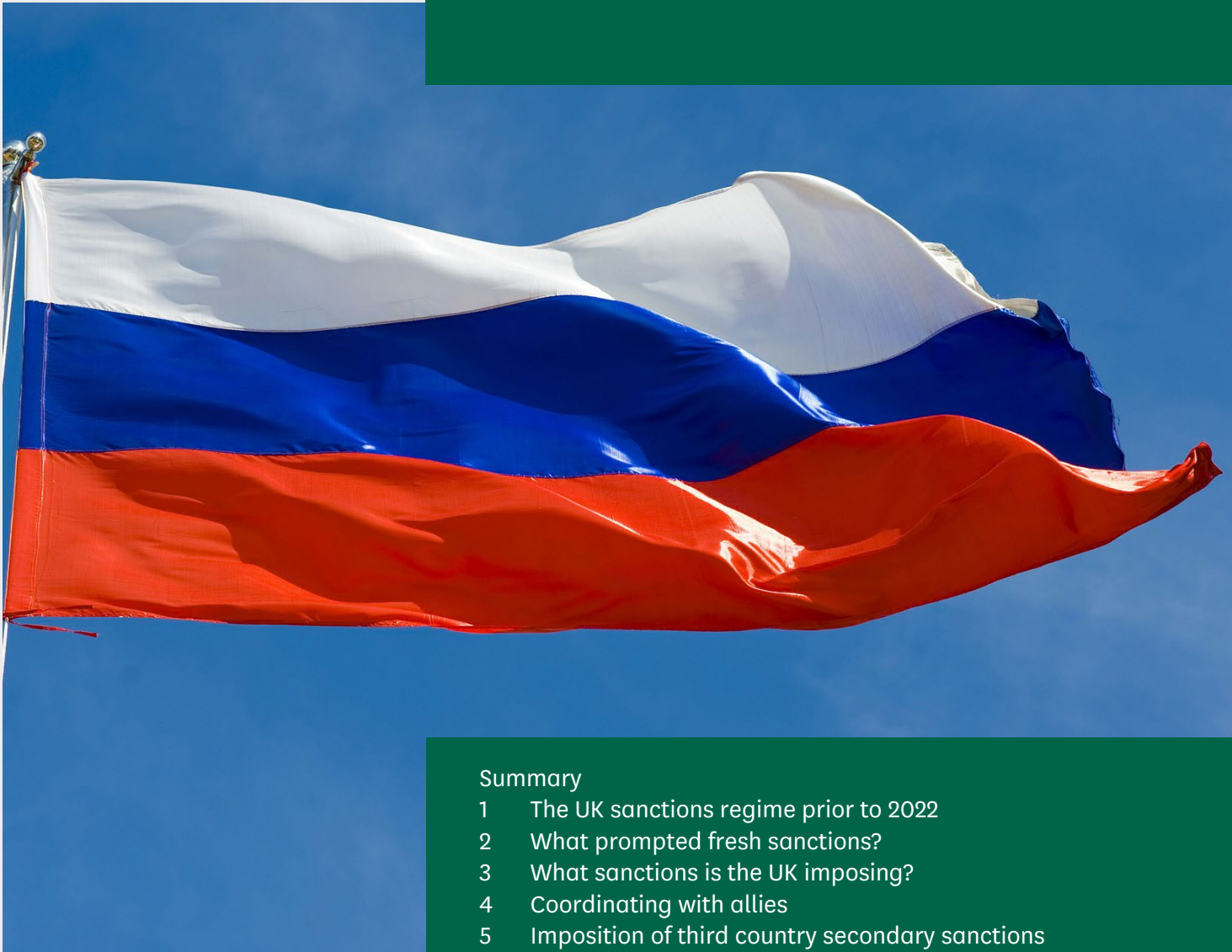


Research Briefing

By Claire Mills

19 December 2022

Sanctions against Russia



Summary

- 1 The UK sanctions regime prior to 2022
- 2 What prompted fresh sanctions?
- 3 What sanctions is the UK imposing?
- 4 Coordinating with allies
- 5 Imposition of third country secondary sanctions

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Contents

Summary	5
1 The UK sanctions regime prior to 2022	7
2 What prompted fresh sanctions?	10
3 What sanctions is the UK imposing?	11
3.1 First tranche of sanctions	12
3.2 Second tranche of sanctions	14
3.3 A rolling programme of sanctions	16
Calls for broader measures	16
Putin, Lavrov and family members sanctioned	17
Putin's inner circle sanctioned	18
Financial sanctions	19
Transport sanctions	23
Further trade sanctions	24
Targeting oligarchs	30
Targeting disinformation	33
Targeting the facilitators of Russian actions in Ukraine	34
Response to Russia's annexation of occupied Ukrainian territory	35
Humanitarian exemptions	36
4 Coordinating with allies	38
4.1 United States	39
Initial sanctions	39
Sanctions imposed after the invasion of Ukraine	40
An ongoing response to alleged Russian atrocities in Ukraine	43
Bringing the US further into line with allies	44
Response to the Russian annexation of Ukrainian territory	47
Sanctions evasion	48
4.2 European Union	50

	Further rounds of sanctions	52
	Military assistance	62
4.3	Other countries	63
	Other countries of the G7	63
	Other Western allies and partners	67
4.4	Transatlantic Task Force on sanctions (REPO)	71
4.5	A halt to Nord Stream 2	71
5	Imposition of third country secondary sanctions	73
5.1	Belarus	74
5.2	Iran	75
5.3	Syria	77

Summary

Sanctions aimed at Russia have been in place since 2014, following its annexation of Crimea and ongoing role in the destabilisation of eastern Ukraine.

2014 sanctions

Sanctions were imposed in a coordinated move by the EU, which the UK was a Member State of at the time, the US, and other Western allies such as Canada. [Sanctions were targeted against individuals and entities](#) (PDF), including freezing assets and travel bans. They also included arms embargoes and restrictions on other trade, such as exporting technology to Russia needed for oil exploration, and restrictions on lending money to certain Russian companies and banks. The third set of sanctions banned investment in, and trade with, Crimea. The Russia (Sanctions) (EU Exit) Regulations 2019 ensured that UK sanctions relating to Russia continued to operate effectively after Brexit.

Under those regulations, 183 individuals and 53 entities were subject to UK financial sanctions. Several other Russian individuals are also subject to sanctions under the UK's Global Human Rights, Anti-Corruption, Chemical Weapons and Cyber sanctions regimes.

2022 Ukraine crisis

In the build-up to the current crisis in Ukraine, Western allies warned Russia that any breach of Ukraine's territorial integrity and sovereignty would be met with unprecedented economic measures. Following [Russia's recognition of independence of the self-proclaimed Luhansk People's Republic and the Donetsk People's Republic](#), and the deployment of Russian troops under the guise of peacekeeping operations, initial sanctions were introduced by the West.

On 24 February 2022, Russian military forces crossed the border into Ukraine and continue to conduct a full-scale assault on the country. The EU, UK, US, and other allies, have responded with significant coordinated sanctions, targeting Russia's financial sector, aviation and shipping, strategic sectors of the economy such as defence, aerospace and energy, individuals close to the Putin regime and those facilitating Russia's invasion of Ukraine, including actors in third countries.

Sanctions are being introduced on a rolling basis and the UK has said [“nothing is off the table”](#).

As of 16 December 2022:

- [1,386 Russian individuals and 171 entities are subject to EU sanctions](#).
- [1,463 individuals and 162 entities are currently subject to UK sanctions under the Russia regime \(PDF\)](#).
- [The UK has targeted over 120 oligarchs](#) with a net worth of over £140 billion.

Amidst concerns over global food security, the EU, US and UK issued a joint statement on 14 November in which they reiterated [“the target of our sanctions is Russia’s war machine, and not the food or fertiliser sectors... banks, insurers, shippers, and other actors can continue to bring Russian food and fertiliser to the world”](#).

1

The UK sanctions regime prior to 2022

Sanctions are considered a useful foreign policy tool. They are restrictive measures, intended to be temporary, that can be used to force a change in behaviour, constrain a country's actions or to communicate a political message to other countries and individuals.

While the UK can impose its own sanctions, coordination is often sought with allies, particularly the EU and US, to achieve maximum effect. Under international law, the UK is also obliged to implement United Nations (UN) sanctions when they are imposed.

The UK has over 35 [thematic and country-specific sanctions regimes](#) in place under the [Sanctions and Anti-Money Laundering Act 2018](#), of which the Russia regime is one of them.

Individuals and entities subject to UK sanctions under these regimes are listed in the consolidated [UK Sanctions List](#).¹

Russia: Financial and trade sanctions

Prior to the designations announced in February 2022, 183 individuals and 53 entities were already subject to UK financial sanctions under the Russia sanctions regime.²

[The regime was imposed in a coordinated move by the EU, US, UK and other Western allies such as Canada](#) (PDF) in reaction to the annexation of Crimea in 2014 and the ongoing destabilisation of Ukraine. The sanctions consist of [targeted sanctions against individuals and entities \(PDF\)](#), including asset freezes and travel bans, and measures to prevent access to capital markets for Russian-owned financial institutions. They also include an arms embargo and restrictions on other trade, such as on the export to Russia of technology needed for oil exploration. The third set of sanctions banned investment in, and trade with, Crimea.

The sanctions represented a coordinated response by Western allies, but they are not backed by a UN Security Council resolution because Russia, as a permanent member of the Security Council, would have used its veto to block them.

¹ The UK sanctions list is also searchable via HM Treasury's [Office of Financial Sanctions Implementation](#).

² Foreign, Commonwealth and Development Office, [UK Sanctions List](#)

[The UK Government described its sanctions regime](#) as “encouraging Russia to cease actions destabilising Ukraine or undermining or threatening the territorial integrity, sovereignty or independence of Ukraine”.³ Under the regime, as first introduced, sanctions could only be imposed on companies and individuals with a direct involvement in the destabilisation of Ukraine. This has changed with following Russian military action in Ukraine.

Magnitsky sanctions

In July 2020 25 Russian officials were also designated under the UK’s newly established [Global human rights sanctions regime \(PDF\)](#), more commonly referred to as [Magnitsky sanctions](#).⁴ Those individuals were sanctioned for their involvement in the mistreatment and death of Sergei Magnitsky, who uncovered widespread Russian corruption by a group of Russian tax and police officials.⁵

In December 2020, a further three Chechen officials and one entity were designated under the Global Human Rights Sanctions regime for their role in the campaign of persecution against Chechnya’s LGBT+ community.⁶

Global anti-corruption sanctions regime

In April 2021, 12 Russian nationals were sanctioned under the UK’s new [Global anti-corruption sanctions regime](#) for their role in the serious corruption uncovered by Sergei Magnitsky.⁷

Chemical weapons sanctions regime

In January 2019, EU foreign ministers, including the UK Foreign Secretary, imposed sanctions on the leadership of the Russian military intelligence organisation, the GRU, and the two GRU operatives charged with carrying out a [nerve agent attack in Salisbury](#) in 2018.⁸

A further 13 Russian nationals have been sanctioned under the UK’s [autonomous chemical weapons sanctions regime](#), for their involvement in the

³ Foreign, Commonwealth and Development Office, [UK sanctions relating to Russia](#)

⁴ Foreign and Commonwealth Office, [UK announces first sanctions under new global human rights regime](#), 6 July 2020

⁵ See Commons Library, Magnitsky legislation, 20 July 2020.

⁶ HLWS 634, [Designations made under the Global Human Rights Sanctions Regime](#), 14 December 2020

⁷ Foreign, Commonwealth and Development Office, [Press release](#), 26 April 2021

⁸ Foreign, Commonwealth and Development Office, Press release, 21 January 2019

Novichok attack on Russian opposition figure, Alexei Navalny, in August 2020.⁹

Cyber sanctions regime

Several Russian military intelligence officers and units of the GRU have been sanctioned under [the UK's cyber sanctions regime](#) for cyberattacks on the offices of the Organisation for the Prohibition of Chemical Weapons in 2018 and the German Parliament in 2015.

1 Further reading

- House of Commons Library, [Magnitsky legislation](#), July 2020
- House of Commons Library, [Sanctions against Russia: In brief](#), April 2018
- House of Commons Library, [Sanctions over the Ukraine conflict](#), March 2015
- House of Commons Library, [Ukraine: Towards a frozen conflict?](#), September 2014

⁹ Foreign, Commonwealth and Development Office, [Press release](#), 15 October 2020 and [Press release](#), August 2021

2

What prompted fresh sanctions?

Russia began building up its military forces in Crimea and along the borders of Ukraine in November 2021.

Despite consistently denying suggestions that it was planning to invade, Russia launched military action in Ukraine on 24 February 2022. [President Putin said Russia, acting in self-defence, was launching a special military operation in the Donbas](#) and called on Ukrainian forces to lay down their weapons.¹⁰ However, a full-scale assault on the country is currently underway.

Russia's actions come days after [President Putin officially recognised the independence of the Donetsk People's Republic \(DPR\) and the Luhansk People's Republic \(LPR\)](#), two self-declared Republic's in the Donbas region of eastern Ukraine that have been under the control of Russian-backed separatists since 2014. That recognition was quickly followed by the deployment of Russian troops to the region under the guise of peacekeeping operations and the signing of treaties of friendship, cooperation and mutual assistance between Russia and the leaders of those two regions.

Since the annexation of Crimea in 2014, Western nations have made clear their support for Ukraine's territorial integrity and sovereignty and its right to choose its security partnerships. At the outset of the current crisis, the West warned Russia that any military escalation would have significant economic consequences, including an unprecedented package of sanctions targeting Russia's financial institutions, energy sector, and individuals close to the Kremlin. Halting Russia's controversial [Nord Stream 2 gas pipeline to Europe](#) was also being considered as part of any sanctions package.

¹⁰ President of Russia, [Statement](#), 24 February 2022

3

What sanctions is the UK imposing?

1 Latest developments

Since the last update to this briefing (16 November 2022):

- At the end of November, further sanctions were introduced against 22 individuals who have facilitated and enforced Russia's partial mobilisation of Russian citizens, and who have actively recruited prisoners to fight in Ukraine as part of the Wagner mercenary group.
- At the beginning of December, the Commander of Russia's 90th tank division, which has been on the Ukrainian frontline since the invasion began, was sanctioned along with 12 senior Russian commanders for their role in the missile and drone strikes against Ukrainian cities and critical national infrastructure. As winter approaches, [millions of Ukrainian civilians have been left without access to electricity, water and heat](#).
- As of 16 December 2022, [1,463 individuals and 162 entities are subject to UK sanctions under the Russia regime](#) (PDF). So far, the UK has sanctioned £18.3 billion of Russian assets.¹¹
- Further designations of Russian individuals have also been made under the [Global Human Rights sanctions regime](#), commonly referred to as Magnitsky sanctions, for their role in the torture and oppression of individuals linked to the Maidan protests in Ukraine in 2014. While linked, these sanctions are separate to those imposed under the Russia regime.
- The UK has imposed additional sanctions on a number of Iranian businessmen and officials for their role in the production and supply of drones to Russia. The Government contends, in line with the EU and US, that such transfers are in contravention of UN Security Council Resolution 2231. Iran denies the transfer of weaponry to Russia for use in Ukraine.

On 31 January 2022, the Foreign Secretary confirmed that the Government would introduce legislation enabling “an unprecedented package of coordinated sanctions”, should Russia invade Ukraine.¹²

¹¹ HM Treasury, [Press release](#), 10 November 2022

¹² HC Deb 31 January 2022, c55

The [Russia \(Sanctions\) \(EU exit\) \(Amendment\) Regulations 2022](#) were published on 10 February. The regulations amended the designation criteria initially set out in the [Russia \(Sanctions\) \(EU exit\) Regulations 2019](#), and identified sectors of “strategic significance” to the Russian Government, including the chemical, defence, energy, extractives, electronics, ICT and financial services sectors.

Under the new measures, the UK is now able to target the strategic interests of the Russian state more broadly, including Russian banks, the energy sector, and individuals with close ties to the Kremlin. Introducing the legislation, the Foreign Secretary said:

We will be able to target any company that is linked to the Russian state, engages in business of economic significance to the Russian state, or operates in a sector of strategic significance to the Russian state. Not only will we be able to target these entities, we will also be able to go after those who own or control them. This will be the toughest sanctions regime against Russia we have ever had, and it is the most radical departure in approach since leaving the European Union. Those in and around the Kremlin will have nowhere to hide.¹³

The Government did not confirm who may be targeted, or with what measures, but said that it would “use these new powers to maximum effect if it pursues its aggressive intent towards Ukraine”, that sanctions would be applied “without fear or favour” and that “nothing is off the table”.¹⁴

Sanctions will also be coordinated with allies, including the EU and the US, to achieve maximum effect.

The application of sanctions to the UK’s Overseas Territories, is examined in House of Commons Library, [The UK’s Overseas Territories and sanctions against Russia](#)

3.1 First tranche of sanctions

In response to Russian recognition of the DPR and LPR and the deployment of “peacekeeping” troops to the region, which the Government described as “a renewed invasion” of Ukraine,¹⁵ the first wave of UK sanctions was announced on 22 February 2022.

Targeted sanctions were imposed on five Russian banks and three Russian oligarchs associated with the Kremlin: [Gennady Timchenko](#), [Boris Rotenberg](#) and [Igor Roteberg](#). All three individuals were already subject to US sanctions. Timchenko and Boris Rotenberg were sanctioned by the US in March 2014

¹³ HC Deb 31 January 2022, c56

¹⁴ HC Deb 31 January 2022, c56 and c58

¹⁵ HC Deb 22 February 2022, [Ukraine](#)

following Russia's annexation of Crimea, and Igor Rotenberg in 2018 as part of its response to Russia's "worldwide malign activity."¹⁶

The assets of the following banks were also frozen, with immediate effect:

- **Bank Rossiya** – a Russian bank privately owned by several Russian billionaires with direct links to President Putin. It has also played an active part in financing the annexation of Crimea.
- **Black Sea Bank for Development and Reconstruction** – a Crimean bank created in 2014 immediately after annexation.
- **IS Bank** – has operated across Crimea since 2014.
- **Genbank** – has operated across Crimea since 2014.
- **Promsvyazbank** – services the Russian defence sector and accounts for 70% of state contracts signed by the Russian Defence Ministry.¹⁷

Following these designations, 186 individuals and 58 entities were subject to financial sanctions under the Russia regime.¹⁸

The Government also announced restrictions which will prevent Russia from issuing sovereign debt on UK markets.¹⁹

The Government also said it would extend the territorial sanctions imposed on Crimea to non-government-controlled territory in Donetsk and Luhansk and indicated its intention to sanction those members of the Russian Parliament who voted to recognise the independence of DPR and LPR on 15 February 2022.²⁰

[386 members of the Russian Duma were subsequently sanctioned](#) by the UK on 11 March 2022. [Members of Russia's Federation Council were sanctioned](#) on 15 March 2022.

[The Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.7\) Regulations 2022](#), made on 30 March 2022, extended the territorial sanctions, already applicable to Crimea, to the non-government controlled areas in Donetsk and Luhansk.

¹⁶ ["Treasury Sanctions Russian Officials, Members Of The Russian Leadership's Inner Circle, And An Entity For Involvement In The Situation In Ukraine"](#), US Treasury, 20 March 2014; ["Treasury Designates Russian Oligarchs, Officials, and Entities in Response to Worldwide Malign Activity"](#), US Treasury, 6 April 2018

¹⁷ Office of Financial Sanctions Implementation, [Consolidated list of financial sanctions targets: Russia](#), 24 February 2022

¹⁸ HC Deb 22 February 2022, c291

¹⁹ Sovereign debt is the amount of money borrowed by a country, usually issued as bonds in a foreign currency. The debt is aimed at raising money to finance the country's growth. Sovereign debt is examined in greater detail in House of Commons Library, [Countering Russian influence in the UK](#), 25 February 2022

²⁰ Foreign, Commonwealth and Development Office, [Press release](#), 22 February 2022. On 24 February the Government suggested 571 members of the Russian Duma and Federation Council would be targeted (FCDO, [Press release](#))

3.2

Second tranche of sanctions

On 24 February the Government announced a second “comprehensive” and “unprecedented” set of sanctions, developed with international partners and allies, in response to the onset of Russian military action in Ukraine.²¹ Many of the measures set out in this second tranche were enacted by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.2\) Regulations 2022](#) and the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.3\) Regulations 2022](#) which came into force on 1 March.

The measures ban key Russian industries and companies from raising finance on the UK’s financial markets, designated Russian banks are unable to access Sterling and clearing payments through the UK and an asset freeze has been imposed on several major Russian financial institutions preventing them from accessing the assets they hold in the UK. The Government estimates that Russian banks clear approximately £146 billion of Sterling payments into and out of the UK’s financial system each year and that “around half of Russian trade is denominated in dollars or sterling”.²²

Trade restrictions were strengthened, with a ban on the export of critical technologies and components to Russia’s electronics, telecommunications and aerospace sectors.

Asset freezes and travel bans were also imposed on numerous Russian oligarchs, including five members of Putin’s inner circle. Under new banking restrictions, Russian nationals will be banned from having more than £50,000 in savings in UK banks accounts.

Russia’s flagship airline, Aeroflot, has also been banned from UK airspace.

Among the most significant targets of this round of UK sanctions were:

- **VTB** - Russia’s second largest bank with assets totalling £154 billion.
- **Rostec** - Russia’s largest defence company with exports worth more than £10 billion a year.
- **Tactical Missile Corporation** - Russia’s leading supplier of air and sea missiles.
- **Uralvagonzavod** - one of the world’s largest tank manufacturers.
- **United Aircraft Corporation** - a Russian state-owned enterprise that comprises all of Russia’s major aircraft manufacturing companies and is a major supplier of aircraft to the Russian military.
- **United Shipbuilding Corporation** - the largest shipbuilding company in Russia.
- **Petr Fradkov** – Head of Promsvyazbank.
- **Denis Bortnikov** – Deputy President of VTB.

²¹ Foreign, Commonwealth and Development Office, [Press release](#), 24 February 2022

²² HC Deb 1 March 2022, [Sanctions](#), c953

- **Kirill Shamalov** – Russia’s youngest billionaire and former son-in-law of President Putin. Forbes estimates his net worth at \$1.4 billion.²³

The Government has also said that the subsidiaries of sanctioned entities are included in their list of designations and “across all sanctions regimes”.²⁴

On 28 February then Foreign Secretary Liz Truss confirmed that three more banks: Otkritie, VEB and Sovcombank, are subject to a full asset freeze, with a view to imposing a full asset freeze on “all Russian banks” in the coming days, including Russia’s largest financial institution, Sberbank.²⁵ All Russian companies, including state-owned enterprises such as Gazprom are also prevented from accessing UK capital markets.²⁶ [Sberbank](#) (PDF) was subsequently made subject to a full asset freeze on 6 April 2022 (see below).²⁷

On 2 March 2022 the Prime Minister committed to “publish a full list of all those associated with the Putin regime”, although he did not provide a timeframe for doing so.²⁸

The Government also announced that sanctions will be issued against Belarus for its role in enabling Russian military action in Ukraine (see secondary sanctions below).²⁹

The latest sanctions notices related to Russia, and the current list of designated persons are available at: [Financial sanctions, Russia - GOV.UK \(www.gov.uk\)](#).

²³ Forbes, [Profile: Kirill Shamalov](#)

²⁴ Foreign Commonwealth and Development Office, [Press release](#), 3 March 2022

²⁵ HC Deb 28 February 2022, [Sanctions](#) c710

²⁶ HC Deb 28 February 2022, [Sanctions](#) c710

²⁷ The bank had previously been prohibited from clearing payments in sterling on 1 March 2022 (HM Treasury, [Financial Sanctions Notice](#), 6 April 2022)

²⁸ HC Deb 2 March 2022, c1033

²⁹ Approximately 30,000 Russian troops equipped with sophisticated military assets deployed to Belarus in early February under the guise of joint exercises. Those forces have since crossed the border from Belarus into Ukraine.

3.3

A rolling programme of sanctions

“Sanctions were put on by the G7 in unison, and they should not be removed as long as Putin continues with his war and still has troops in Ukraine”.

Former Foreign Secretary, Liz Truss, 28 March 2022

Announcing the second tranche of sanctions, the then Prime Minister said on 24 February there will be “a rolling programme of intensifying sanctions”,³⁰ indicating the Government could, and would go a lot further, in coordination with allies.

Further strategic sectors of the Russian economy and major Russian state-owned companies were expected to be targeted in future tranches. More Russian financial institutions expelled from the SWIFT system and more members of the Russian elite, and their families, made subject to asset freezes and travel bans.

On the sanctioning of further individuals, then Foreign Secretary, Liz Truss, said:

We have a hit list of oligarchs and Duma members – those key personnel we are talking about. We will be announcing those as we build the evidence and case against them, but we need those cases to be legally watertight – that is what is important – so that when we hit them, the hit sticks.³¹

Calls for broader measures

MPs also called for the Government to go beyond sanctions³² and bring forward initiatives and proposed legislation on countering foreign influence in the UK, particularly Russian wealth in London.

The Government subsequently brought forward its [Economic Crime \(Transparency and Enforcement\) Bill](#) on 1 March 2022 and fast-tracked it through Parliament. The Act received Royal Assent on 14 March. It introduces a beneficial ownership register of overseas entities owning UK property, reforms [Unexplained Wealth Orders](#) and makes changes to the designation and enforcement of sanctions.

Specifically, the Act gives the Government new powers to act in the public interest and designate individuals and entities under an urgent procedure, while evidence is gathered to sanction them under the UK’s own standard procedures. This will allow the UK to immediately designate individuals already sanctioned by the EU, US and other allies.

Calls were also made for Russian state-owned media outlet, RT (formerly Russia Today), to be banned from broadcasting in the UK. On 27 February 2022, the EU confirmed that RT, and some other state-owned media, would be banned, which indirectly led to RT being taken off the air in the UK. Ofcom subsequently revoked RT’s broadcasting licence on 18 March 2022.

³⁰ HC Deb 24 February 2022, c576

³¹ HC Deb 28 February 2022, [Sanctions](#) c720

³² HC Deb 22 February 2022, [Sanctions](#)

2 Further reading

- House of Commons Library briefing, [Economic Crime \(Transparency and Enforcement\) Bill 2021-22](#)
- House of Commons Library, [Countering Russian influence in the UK](#)

In the Queen's Speech in May 2022 the Government confirmed its intention to bring forward further legislation that is, in part, intended to curb Russian influence in the UK:

- A [National Security Bill](#) which will overhaul existing states legislation.
- An [Economic Crime and Corporate Transparency Bill](#) to tackle illicit finance and reduce economic crime.

At the end of July 2022, the Government also expanded the designation criteria for those who could be subject to sanctions. Under the new criteria, set down in the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.13\) Regulations 2022](#), immediate family members of designated individuals and the management (as opposed to just senior management) of Russian state-controlled enterprises, or businesses benefitting from supporting the Russian Government, can now be targeted.

Putin, Lavrov and family members sanctioned

President Putin and Russian Foreign Minister, Sergei Lavrov, were sanctioned by the UK on 25 February 2022.

On 25 February 2022, the Government sanctioned President Putin and Russian Foreign Minister, Sergey Lavrov, who are now subject to an asset freeze.³³ UK companies are banned from providing goods, services or assets to them in the future.³⁴ Putin and Lavrov have also been sanctioned by the EU and US (see below). A travel ban was not imposed on them, as with other senior Russian officials, to allow for diplomatic meetings.

On 24 March the Government also announced that Sergey Lavrov's stepdaughter, [Polina Kovaleva](#), who owns a £4 million property in London had been sanctioned.³⁵ The FCDO said the decision sent "a strong signal that those benefiting from association of those responsible for Russian aggression are in scope of our sanctions".³⁶

In early April the FCDO also announced that President Putin's daughters, Katerina Tikhonova and Maria Vorontsova, and Sergey Lavrov's daughter, Yekaterina Vinokurova, would also be made subject to asset freezes and

³³ HM Treasury, [Financial Sanctions Notice](#), 25 February 2022

³⁴ Foreign, Commonwealth and Development Office, [Press release](#), 25 February 2022

³⁵ Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

³⁶ Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

travel bans in a bid to curtail their “lavish lifestyles”.³⁷ The UK has coordinated these sanctions with the United States.³⁸

Maria Lavrova, Sergey Lavrov’s wife, was sanctioned on 13 April and is now subject to a UK asset freeze and travel ban.³⁹

On 13 May the Government announced that President Putin’s “wallet of family and friends” who benefit from his rule and, in turn, support his lifestyle and “his war machine” would be targeted.⁴⁰ Among those close family and friends sanctioned are Putin’s former wife Lyudmila Ocheretnaya, and Putin’s alleged partner who is also the Chair of the Board of the National Media Group, Alina Kabaeva.⁴¹

On 29 June the Government sanctioned Anna Tsivileva, Putin’s first cousin and President of the Russian coal mining company JSC Kolmar Group, along with her husband Sergey Tsivilev who is Governor of the coal-rich Kemerovo region.⁴²

Putin’s inner circle sanctioned

In line with sanctions already imposed by the EU and US, the UK Government announced on 15 March that several figures from President Putin’s inner circle would be sanctioned by the UK. Prime Minister Mikhail Mishustin, Defence Minister Sergei Shoigu, and former President of Russia, Dmitry Medvedev, who is Deputy Chairman of the Russian Security Council, are all now subject to a UK asset freeze and travel ban.⁴³

On 16 June the UK sanctioned Patriarch Kirill, Head of the Russian Orthodox Church for his “prominent support” of Russian military aggression in Ukraine.⁴⁴

At the end of July 2022, Russian Minister of Justice, Konstantin Chuychenko and Deputy Minister of Justice, Oleg Sviridenko, were also sanctioned for their role in the suppression of Russian society after introducing further legal measures targeting those speaking out against the war.⁴⁵

Russian military leaders

On 31 March the Government also announced that Russian General Mikhail Mizintsev, the Chief of the National Defence Command and Control Centre,

³⁷ Foreign, Commonwealth and Development Office, [Press release](#), 8 April 2022

³⁸ Foreign, Commonwealth and Development Office, [Press release](#), 8 April 2022

³⁹ HM Treasury, [Financial Sanctions Notice](#), 13 April 2022

⁴⁰ Foreign, Commonwealth and Development Office, [Press release](#), 13 May 2022

⁴¹ HM Treasury, [Financial Sanctions Notice](#), 13 May 2022

⁴² Foreign, Commonwealth and Development Office, [Press release](#), 29 June 2022

⁴³ Foreign, Commonwealth and Development Office, [Press release](#), 15 March 2022

⁴⁴ Foreign, Commonwealth and Development Office, [Press release](#), 16 June 2022 and HM Treasury, [Financial Sanctions Notice](#), 16 June 2022

⁴⁵ Foreign, Commonwealth and Development Office, [Press release](#), 26 July 2022 and HM Treasury, [Financial Sanctions Notice](#), 26 July 2022

which plans and directs all Russian military operations worldwide, had been placed on the sanctions list. According to the FCDO: “Mizintsev is known for using reprehensible tactics, including shelling civilian centres in both Aleppo in 2015-16 and now in Mariupol – where atrocities are being perpetrated against Ukrainian people”.⁴⁶

A further four Russian military leaders were sanctioned on 21 April for “committing atrocities on the front line”, including the intentional targeting of civilians and critical infrastructure.⁴⁷ Lt Colonel Azatbek Omurbekov has been sanctioned for his involvement in the killing of civilians in Bucha, along with Colonel General Andrey Serdyukov, Commander of Russian airborne forces; Major General Valery Flyustikov, Commander of Special Forces Operations and Colonel General Nikolay Bogdanovsky, First Deputy Chief of the General Staff.⁴⁸

On 16 June the Government announced that a further four Colonels from the 64th Separate Motorised Rifle Brigade, a unit known to have committed crimes against civilians in Bucha, have been added to the sanctions list.⁴⁹

At the beginning of December 2022, Colonel Ramil Ibatullin, the Commander of Russia’s 90th tank division which has been on the Ukrainian frontline since the invasion began, was also sanctioned.⁵⁰

On 13 December, a further twelve senior Russian commanders were also sanctioned for their role in the missile and drone strikes against Ukrainian cities and critical national infrastructure. As winter approaches, [millions of Ukrainian civilians have been left without access to electricity, water and heat](#).⁵¹

Financial sanctions

Exclusion from SWIFT

One measure the Government has been consistently supportive of is Russia’s exclusion from the SWIFT international payments system and confirmed the UK was “working with allies to exclude Russia”.⁵²

⁴⁶ Foreign, Commonwealth and Development Office, [Press release](#), 31 March 2022

⁴⁷ Foreign, Commonwealth and Development Office, [Press release](#), 21 April 2022

⁴⁸ HM Treasury, [Financial Sanctions Notice](#), 21 April 2022

⁴⁹ Foreign, Commonwealth and Development Office, [Press release](#), 16 June 2022 and HM Treasury, [Financial Sanctions Notice](#), 16 June 2022

⁵⁰ Foreign, Commonwealth and Development Office, [Press release](#), 9 December 2022 and HM Treasury, [Financial Sanctions Notice \(PDF\)](#), 9 December 2022

⁵¹ Foreign, Commonwealth and Development Office, [Press release](#), 13 December 2022 and HM Treasury, [Financial Sanctions Notice \(PDF\)](#), 13 December 2022

⁵² Foreign, Commonwealth and Development Office, [Press release](#), 24 February 2022

3 What is SWIFT?

The Society for Worldwide Interbank Financial Telecommunication (SWIFT) is [a service that facilitates secure messaging between banks and other financial institutions](#). This enables financial institutions to perform transactions such as payments and settling trades between themselves. However, [it is not, in itself, a payments or settlement system](#).

Swift is used by more than 11,000 institutions in more than 200 countries and territories around the world. Each bank has its own unique SWIFT code. Swift said that [in 2021, it recorded an average of 42 million messages per day](#).

The organisation is [a cooperative society under Belgian law](#) and its [headquarters are in La Hulpe](#), outside Brussels. As a cooperative, it is owned by its members.

House of Lords Library, [Ukraine sanctions and the Swift system](#), 1 March 2022

Several EU Member States, including Germany, had reportedly been reluctant to pursue this sanction measure.⁵³ Among other things, SWIFT is used to pay for Russian gas imports which many EU countries depend on.⁵⁴

As part of a wider set of measures (see below), on 26 February the UK, US, EU and Canada announced that “selected Russian banks” would be removed from the SWIFT system. On 2 March the EU announced that seven Russian banks, already targeted by UK, EU and US sanctions would be excluded from SWIFT:

- Otkritie
- Novikombank
- Promsvyazbank
- Rossiya Bank
- Sovcombank
- Vnesheconombank
- VTB Bank

It will also apply to any subsidiaries that are more than 50% owned, either directly or indirectly. This prohibition came into force on 12 March 2022.⁵⁵

Initially it had been unclear whether expulsions from SWIFT would be a rolling programme. In a press conference on 26 February a senior US administration official said:

⁵³ Politico, [“Western leaders agree new Russia sanctions, including SWIFT curbs”](#), 27 February 2022

⁵⁴ This is examined in greater detail in House of Commons Library, [Geopolitical implications of Nord Stream 2](#)

⁵⁵ EU Official Journal, [L63, Vol.65](#), 2 March 2022

we are going to go institution by institution, in terms of those that are removed from the network, and we'll pick those very carefully to maximize the impact on Russia and minimize the spillovers to Europe and the global economy.⁵⁶

Further designations would have to be approved by the EU⁵⁷ and voted for by the SWIFT Board of Directors.⁵⁸

In May 2022 the European Commission proposed “de-swifiting” Sberbank, the Credit Bank of Moscow and the Russian Agricultural Bank, as part of a sixth package of sanctions measures.⁵⁹ Those measures were subsequently adopted on 3 June (see below).

Restrictions on the Russian Central Bank

“Some 80% of the Russian banking sector is now subject to sanctions and more than 60% of the central bank’s foreign reserves are frozen”.

Lord Goldsmith, [HL Deb 11 October 2022](#), c674

In the face of Russia’s ongoing military action in Ukraine, [the EU, UK, US and Canada issued a joint statement](#) on 26 February which set out their commitment to impose further restrictive measures on Russia.

In addition to removing selected Russian banks from SWIFT, allies also committed to restrict the activities of the Russian Central Bank so as to prevent it from accessing its foreign reserves as a way of negating the impact of Western sanctions.⁶⁰

On the sanctioning of the Russian Central Bank, the Treasury stated:

This action is taken in concert with the US and the European Union, to prevent the CBR from deploying its foreign reserves in ways that undermine the impact of sanctions imposed by us and our allies, and to undercut its ability to engage in foreign exchange transactions to support the Russian rouble.

The UK Government will immediately take all necessary steps to bring into effect restrictions to prohibit any UK natural or legal persons from undertaking financial transactions involving the CBR, the Russian National Wealth Fund, and the Ministry of Finance of the Russian Federation. The UK Government intends to make further related designations this week, working alongside our international partners.⁶¹

The legislation prohibiting financial services relating to foreign reserves exchange and asset management by the Russian Central Bank is set out in the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.5\) Regulations 2022](#).

Further sanctions on financial institutions

In line with the US and EU (see below), the Foreign Office announced on 1 March, sanctions targeting the Russian Direct Investment Fund, a state-

⁵⁶ White House, [Background Press Call](#), 27 February 2022

⁵⁷ SWIFT is headquartered in Belgium and therefore falls under Belgian and EU jurisdiction.

⁵⁸ White House, [Background Press Call](#), 27 February 2022

⁵⁹ [Speech to the European Parliament Plenary](#), 4 May 2022 [Speech to the European Parliament Plenary](#), 4 May 2022

⁶⁰ Russia is said to have accumulated more than \$630 billion in currency and gold reserves, which it has been suggested could keep the Russian economy afloat for a year (AI-Monitor, [“Russian invasion of Ukraine scrambles Middle East diplomacy”](#), 26 February 2022)

⁶¹ HM Treasury, [Press release](#), 28 February 2022

owned sovereign wealth fund that the US has referred to as “a known slush fund for President Putin and his inner circle”.⁶² The Fund’s CEO, Kirill Dmitriev, has also been sanctioned.⁶³

On 24 March the Government sanctioned six more Russian banks including Alfa Bank, whose co-founders Mikhail Fridman, German Khan and Petr Aven, have already been sanctioned by the UK (see below).⁶⁴ Other financial institutions included Gazprombank, SMP Bank, the Ural Bank for Reconstruction and Development, the Russia Agricultural Bank and the Russian Venture Company, part of the Russian Direct Investment Fund.⁶⁵

A full asset freeze was also imposed on Russia’s largest bank, Sberbank, and the Credit Bank of Moscow on 6 April 2022. Sberbank was already prohibited from clearing payments in Sterling (see above).⁶⁶

On 26 September the UK sanctioned 49 individuals on the management boards of Gazprombank, Sberbank and Sovcombank.⁶⁷

Cryptocurrencies

[General guidance from the Office of Financial Sanctions Implementation](#) (OFSI) makes clear that “crypto assets are an economic resource, and as such are caught by financial sanctions regulations”. As such, “attempting to circumvent sanctions using crypto assets is still prohibited in the same way that it would be for any traditional fiat currency”.⁶⁸

Obtaining finance from multilateral institutions

[In a statement on 11 March](#) the countries of the G7, including the UK, said that they would collectively work toward preventing Russia from obtaining finance from leading multilateral institutions, including the International Monetary Fund, the World Bank and the European Bank for Reconstruction and Development. The G7 argue that “Russia cannot grossly violate international law and expect to benefit from being part of the international economic order”.⁶⁹

UK outward investment in Russia

On 6 April the Government announced an outright ban on all new UK investment in Russia. The Government estimates that, in 2020, UK investment in Russia was worth over £11 billion.⁷⁰

⁶² Foreign, Commonwealth and Development Office, [Press release](#), 1 March 2022

⁶³ HM Treasury, Office of Financial Sanctions Implementation, [Financial Sanctions Notice](#), 1 March 2022

⁶⁴ Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

⁶⁵ OFSI, [Financial Sanctions Notice](#), 24 March 2022

⁶⁶ HM Treasury, [Financial Sanctions Notice](#), 6 April 2022

⁶⁷ Foreign, Commonwealth and Development Office, [Press release](#), 26 September 2022

⁶⁸ HM Treasury, [Financial sanctions: general guidance](#) (PDF)

⁶⁹ [G7 statement](#), 11 March 2022

⁷⁰ Foreign, Commonwealth and Development Office, [Press release](#), 6 April 2022

- [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.12\) Regulations 2022](#)

Restrictions on the export of banknotes

In July 2022 [legislation was introduced](#) prohibiting the export, supply or delivery to Russia, or a person connected with Russia, of banknotes denominated in Sterling or any official currency of the EU.

Transport sanctions

Shipping

On 28 February 2022, the Department of Transport wrote to all UK ports asking them not to provide access to any Russian flagged, registered, owned, controlled, chartered or operated vessels.⁷¹

In that letter, the Department said: “further detailed sanctions against Russian shipping are being developed”. On 1 March the Government confirmed that:

Government Ministers have now signed legislation banning all ships that are Russian owned, operated, controlled, chartered, registered or flagged from entering British ports. That was effective from 3 pm this afternoon.⁷²

The detail is set out in the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.4\) Regulations 2022](#) and the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.6\) Regulations 2022](#).

The UK Chamber of Shipping said banning these ships will be “complex”:

It is right the UK government considers a range of hard-hitting sanctions following the unprovoked attack on Ukraine. The banning of ships with Russian interests from UK ports will put further pressure on the Russian President’s military objectives. It will however be complex and require new legislation. We will work closely with HMG to ensure that its measures have the best effect.⁷³

Airline sector

A ban on Russian flag carrier, Aeroflot, was one of the first sanctions measures imposed (see above).

Further measures were then taken to ban all Russian aircraft from overflying or landing in the UK, and to detain aircraft (see below).

⁷¹ [Twitter account of Grant Shapps MP](#), 28 February 2022

⁷² HC Deb 1 March 2022, [Sanctions](#), c991

⁷³ UK Chamber of Shipping, [Statement following the banning of Russian ships from UK ports](#), 28 February 2022

On 19 May the Government announced further sanctions on Russia's major airlines in order to prevent them from selling their un-used landing slots at UK airports, which are collectively estimated to be worth £50 million.⁷⁴

Further trade sanctions

Under the Government's rolling programme of sanctions, further restrictive measures against strategic sectors of the Russian economy have been incrementally introduced. A significant package of export bans on goods and services has also been announced in response to Russia's annexation of four occupied regions in Ukraine at the beginning of October 2022.

Exports

By June 2022, UK exports to Russia had decreased by £168 million (66.9%) compared with the monthly average for the 12 months to February 2022.

[Office for National Statistics, June 2022](#)

On 9 March the Government announced additional measures related to the aviation sector that are enacted by the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.6\) Regulations 2022](#). Under that legislation, a ban has been placed on the export of aviation and space-related goods and technology, including technical assistance. UK companies are also prohibited from providing insurance and re-insurance services in relation to these goods and technology.⁷⁵

On 24 March further sanctions against strategic industries "supporting Russia's illegal invasion" were announced. Defence company Kronshtadt, the main manufacturer of Russian drones, Russian railways and Sovcomflot, Russia's largest shipping company and a world leader in the transportation of hydrocarbons, are among those companies targeted.⁷⁶ The CEO of Russian Railways, Oleg Belozyorov, was subsequently sanctioned on 21 April 2022.⁷⁷

On 5 May, Russian steel manufacturer, Evraz, was sanctioned. The company produces 28% of railway wheels and 97% of all Russian rail track and is therefore considered as operating in a sector of strategic significance.⁷⁸

Export bans on key materials that support Russia's manufacturing and heavy machinery sectors, including chemicals, plastics, rubber, and machinery were also announced on 9 May.⁷⁹

Restrictions on the export of defence and security goods and maritime goods and technology were enacted in July 2022 through the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.11\) Regulations 2022](#). That Statutory Instrument also expands existing restrictions relating to Russian iron and steel products. These include new prohibitions on the provision of technical assistance,

⁷⁴ Foreign, Commonwealth and Development Office, [Press release](#), 19 May 2022 and HM Treasury, [Financial Sanctions Notice](#), 19 May 2022

⁷⁵ Foreign, Commonwealth and Development Office, [Press release](#), 9 March 2022

⁷⁶ Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022 and OFSI, [Financial Sanctions Notice](#), 24 March 2022.

⁷⁷ HM Treasury, [Financial Sanctions Notice](#), 21 April 2022

⁷⁸ HM Treasury, [Financial Sanctions Notice](#), 5 May 2022 and Foreign, Commonwealth and Development Office, [Press release](#), 5 May 2022

⁷⁹ Department for International Trade, [Press release](#), 9 May 2022

financial services and funds, and the brokering of services that enable both the supply of iron and steel products from Russia to a third country and the acquisition of such products originating from, or located in, Russia.

At the end of September 2022, the Government announced that a further 700 categories of goods “critical for production in Russia’s manufacturing sector” would be subject to a Russian export ban.⁸⁰ That list is set out in Schedule 2 of the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.15\) Regulations 2022](#) which was laid before Parliament at the end of October 2022.

Luxury goods

In its [11 March 2022 statement](#) the G7 nations also set out the intention to extend trade sanctions to the export of high-end luxury goods to Russia.

The UK subsequently announced on 15 March that exports of luxury vehicles, couture fashion and works of art would be most likely affected but that further details would follow.⁸¹ Legislation enacting this ban was made on 14 April 2022: [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.8\) Regulations 2022](#).

The US, EU and other allies have implemented complementary measures (see below).

On 24 March the Government confirmed that Russia’s largest diamond producer, Alrosa, had also been sanctioned.⁸²

Export of Services

On 4 May 2022 the Government announced a ban on the export of services, including management consulting, accounting and public relations.⁸³

Then Business Secretary, Kwasi Kwarteng, said:

Our professional services exports are extraordinarily valuable to many countries, which is exactly why we’re locking Russia out. By restricting Russia’s access to our world-class management consultants, accountants and PR firms, we’re ratcheting up economic pressure on the Kremlin to change course.⁸⁴

That ban is enacted by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.14\) Regulations 2022](#). Further restrictions are imposed by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.15\) Regulations 2022](#), which were made on 28 October 2022 and came into force on 29 October.

⁸⁰ Foreign, Commonwealth and Development Office, [Press release](#), 30 September 2022

⁸¹ Department for International Trade, [Press release](#), 15 March 2022

⁸² Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

⁸³ Foreign, Commonwealth and Development Office, [Press release](#), 4 May 2022

⁸⁴ Foreign, Commonwealth and Development Office, [Press release](#), 4 May 2022

Legal services are not covered by those sanctions, however. In answer to a Parliamentary Question on 26 April, the Government confirmed that “Under the framework established by the Legal Services Act 2007, the legal profession in England and Wales operates independently of the government. Regulation of legal services is independent of the professions and government”.⁸⁵

A further ban on the export of services relating to IT consultancy (including the design of IT systems and software applications), architectural services, engineering, advertising, auditing and transactional legal advisory services was also announced on 30 September in response to Russia’s annexation of four occupied regions in eastern and southern Ukraine.

Announcing the measures, the Government said they will “ramp up economic pressure on the Russian regime by targeting vulnerabilities and disrupting critical supply chains”.⁸⁶ In the area of transactional legal services alone, the Russian government is estimated to import 85% of such services from G7 countries, of which 59% is provided by the UK.⁸⁷

Imports

Imports subject to additional tariffs

UK imports of goods from Russia are at their lowest level since records began.

[Office for National Statistics](#), June 2022

On 11 March 2022, [the G7 nations issued a statement](#) in which they set out the intention to strip Russia of its [Most-Favoured-Nation \(MFN\) status](#). MFN status is a key benefit of WTO membership and prevents other WTO members discriminating against a country. That step had already been imposed by Canada (see below).

The UK Government subsequently set out the “initial” list of goods, which will be subject to an additional 35% import tariff on top of existing tariffs, on 15 March. That list extends to iron, steel, fertilisers, wood, tyres, railway containers, cement, copper, aluminium, silver, lead, iron ore, beverages, spirits (including vodka), glass, cereals, oil seeds, paper, machinery, artworks, antiques, fur skins and artificial fur, ships and white fish. Those additional duties came into effect on 25 March 2022.⁸⁸

The Department for International Trade confirmed that these products had been selected to “inflict maximum damage on the Russian economy while minimising the impact on the UK”.⁸⁹ The then Chancellor, Rishi Sunak, said:

Our new tariffs will further isolate the Russian economy from global trade, ensuring it does not benefit from the rules-based international system it does not respect.⁹⁰

⁸⁵ PQ154188, [Sanctions: Russia](#), 26 April 2022

⁸⁶ Foreign, Commonwealth and Development Office, [Press release](#), 30 September 2022

⁸⁷ Foreign, Commonwealth and Development Office, [Press release](#), 30 September 2022

⁸⁸ Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)

⁸⁹ Department for International Trade, [Press release](#), 15 March 2022

⁹⁰ Department for International Trade, [Press release](#), 15 March 2022

On 21 April 2022 a further list of goods subject to additional tariffs was announced, including, among other things, diamonds, leather, rubber, textiles, tobacco and some food products.⁹¹ Those additional duties came into effect on 1 June 2022.⁹²

A third package of goods that will be subject to import tariffs were announced on 9 May, including chemicals, platinum and palladium, of which Russia is a major producing country.⁹³ Those tariffs came into force on 20 July 2022.⁹⁴

The Government has said that, following this third wave of measures, more than 96% of goods imported from Russia will be subject to restrictions.⁹⁵

A further package of additional tariffs will be introduced on 1 January 2023. Goods originating in Russia and Belarus that will be affected include sunflower oil, titanium alloy of a kind used in aerospace applications and urea used in the manufacture of fibreboards and as an additive in diesel.⁹⁶

The EU, US and other allies have implemented complementary measures (see below).

Import bans

On 6 April the Government announced a ban on the import of all iron and steel products.⁹⁷ That ban is enacted by the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.8\) Regulations 2022](#). Amendments to those restrictions were made in July 2022 by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.11\) Regulations 2022](#) as they relate to the provision of brokering and financial services.

On 21 April the Government announced further import bans on silver, wood products, and high-end goods such as caviar.⁹⁸ That ban is enacted by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.11\) Regulations 2022](#).

In tandem with the US, Canada and Japan, on 26 June the UK also imposed an import ban on Russian gold, the country's largest non-energy export market at £12.6 billion in 2021. That ban is enacted by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.14\) Regulations 2022](#). Further restrictions relating to the import of gold processed in third countries, and gold jewellery, are enacted by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.15\) Regulations 2022](#), which were laid at the end of October 2022.

The Government has also announced that, in addition to a ban on all oil imports by the end of 2022 (see below), the UK intends to end the import of

⁹¹ Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)

⁹² Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)

⁹³ Department for International Trade, [Press release](#), 9 May 2022

⁹⁴ Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)

⁹⁵ Department for International Trade, [Press release](#), 9 May 2022

⁹⁶ Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)

⁹⁷ Foreign, Commonwealth and Development Office, [Press release](#), 6 April 2022

⁹⁸ Department for International Trade, [Press release](#), 21 April 2022

Russian coal. Initially the intention was to align that measure with the ban on oil imports.⁹⁹ However, the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.14\) Regulations 2022](#) made provision for that ban on Russian coal to come into force on 10 August 2022, in line with requisite EU measures.

In March 2022 the Government indicated that it would look to end the UK's import of Russian gas, which, at the time, made up only 4% of UK supply.¹⁰⁰ On 28 October the Foreign, Commonwealth and Development Office subsequently announced that, from 1 January 2023, the UK would ban all imports of Russian liquefied natural gas (LNG).¹⁰¹ That ban is enacted by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.15\) Regulations 2022](#), which were laid before Parliament on 28 October 2022. Irrespective of the ban, the UK has not imported any Russian gas since the conflict began.¹⁰²

4 Further guidance

For further guidance on import restrictions, see:

- Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)
- Department for International Trade: [NTI2953, Russia import sanctions](#)

Oil embargo

On 8 March the Prime Minister announced that the UK would phase out Russian oil imports by the end of 2022.¹⁰³ Russian imports of oil account for 8% of the UK's total demand.¹⁰⁴

The then Secretary of State for Business, Energy and Industrial Strategy, Kwasi Kwarteng, provided more detail in a [statement to Parliament](#) on 9 March 2022. The ban on oil imports is enacted by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.14\) Regulations 2022](#), as amended by the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.16\) Regulations 2022](#), which were laid before Parliament on 3 November 2022. Under those amendments, the date from which the import of all Russian oil and oil products into the UK is prohibited, was brought forward from 31 December 2022 to the 5 December 2022.

⁹⁹ Foreign, Commonwealth and Development Office, [Press release](#), 6 April 2022

¹⁰⁰ Department for Business, Energy and Industrial Strategy, [Press release](#), 9 March 2022

¹⁰¹ <https://twitter.com/FCDOGovUK>, 28 October 2022

¹⁰² Further details are available in [Imports of fossil fuels from Russia](#), House of Commons Library, 11 November 2022

¹⁰³ Downing Street, [Press release](#), 8 March 2022

¹⁰⁴ Downing Street, [Press release](#), 8 March 2022

The UK's initial decision mirrors that of the United States, which announced [a ban on the import of Russian oil, liquefied natural gas and coal](#) on 8 March 2022. On the same day, the EU announced a plan to reduce its dependence on Russian energy by 2030 (see below).

On 6 April the Government also announced that the export of key oil refining equipment and catalysts would be banned, thereby “degrading Russia’s ability to produce and export oil – targeting not only the industry’s finances but its capabilities as a whole”.¹⁰⁵ That export ban is enacted by the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.8\) Regulations 2022](#).

Oil price cap

Following a meeting of Finance Ministers in early September 2022, the countries of the G7 announced their intention to “finalise and implement a comprehensive prohibition of services which enable maritime transportation of Russian-origin crude oil and petroleum products globally” unless such products are purchased at, or below, a designated price cap. The aim of introducing a price cap, which will be determined by participating states, is to “reduce Russian revenues and Russia’s ability to fund its war of aggression whilst limiting the impact of Russia’s war on global energy prices, particularly for low and middle-income countries”.¹⁰⁶

The G7 will now seek to establish a “broad coalition” to maximise the effectiveness of this measure and urges all countries that intend to continue importing Russian oil and petroleum products “to commit to doing so only at prices at or below the price cap”. This measure, in coordination with the EU came into force on 5 December 2022.¹⁰⁷

In the UK, the [Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.16\) Regulations 2022](#) enact the measures necessary to prohibit access to UK vessels and services, such as insurance, used for the transportation of Russian oil and oil products globally, unless such products are purchased below an agreed price cap. The regulations also confer on the Office of Financial Sanctions Implementation (OFSI), the power to impose civil monetary penalties on any person who fails to comply with these new measures.

The regulations were laid on 3 November 2022 and came into force on 5 December 2022.

¹⁰⁵ Foreign, Commonwealth and Development Office, [Press release](#), 6 April 2022

¹⁰⁶ [G7 statement of Finance Ministers](#), 2 September 2022

¹⁰⁷ US Department of the Treasury, [Preliminary guidance on the implementation of a maritime services policy and related price exception for seaborne Russian oil \(PDF\)](#), 9 September 2022

Targeting oligarchs

A Russian oligarch is a Russian national who is both ultra-high-net-worth and connected to the Putin regime.

FCDO, [Russia sanctions: notes on designations data](#)

Since Russia's invasion of Ukraine, the UK has targeted over 120 oligarchs with a net worth of over £140 billion.

[Foreign, Commonwealth and Development Office, 2 November 2022](#)

In addition to those individuals identified above, the UK has introduced sanctions on the following people. [Many have been designated based on new powers set out in the Economic Crime \(Transparency and Enforcement\) Act 2022](#). All have been identified as having close links to the Kremlin:

- [Alisher Usmanov \(PDF\)](#) – founder of USM Holdings, designated on 3 March 2022. USM's sponsorship ties with Everton football club were suspended on 2 March 2022.¹⁰⁸ At the end of July 2022, Usmanov's nephews Sarvar and Sanjar Ismailov were also sanctioned.¹⁰⁹
- [Igor Shuvalov \(PDF\)](#) – Chairman of the management board of Vnesheconombank (which has been excluded from SWIFT), designated on 3 March 2022.
- [Roman Abramovich \(PDF\)](#) – owner of Chelsea FC and stakeholder in Evraz PLC and Norilsk Nickel, designated on 10 March 2022. The US is yet to sanction Mr Abramovich.
- [Oleg Deripaska \(PDF\)](#) – Shareholder of EN+ group, 10 March 2022. The US sanctioned Mr Deripaska in 2018.
- [Igor Sechin \(PDF\)](#) – CEO of Rosneft, designated on 10 March 2022.
- [Dmitri Lebedev \(PDF\)](#) – Chairman of the Board of Directors of Bank Rossiya, designated on 10 March 2022. Mr Lebedev has been subject to US sanctions since 2016.
- [Alexei Miller \(PDF\)](#) – CEO of Gazprom, designated on 10 March 2022
- [Andrei Kostin \(PDF\)](#) – President and Chairman of VTB Bank, designated on 10 March 2022.
- [Nikolai Tokarev \(PDF\)](#) – President of Transneft, designated on 10 March 2022.
- [Mikhail Fridman \(PDF\)](#) – Founder of Alfa Bank, the largest private bank in Russia and shareholder in LetterOne. Designated on 15 March 2022.
- [Petr Aven \(PDF\)](#) – Head of Alfa Bank and co-founder of LetterOne. Designated on 15 March 2022.
- [German Khan \(PDF\)](#) – A business partner of Fridman and Aven in Alfa Bank and LetterOne. Designated on 15 March 2022. His wife, [Anzhelika Khan](#), was designated on 21 April 2022.
- [Alexey Mordashov \(PDF\)](#) – a member of Russia's richest family and majority shareholder in steel company Severstal. Designated on 15 March 2022.
- [Andrey Melnichenko \(PDF\)](#) – Founder of EuroChem Group. Designated on 15 March 2022.
- [Viktor Vekselberg \(PDF\)](#) – Owner of the Renova Group. Designated on 15 March 2022.
- [Alexander Ponomarenko \(PDF\)](#) – Chairman of the Board of Sheremetyevo, the largest airport in Russia. Designated on 15 March 2022.
- [Dmitry Pumpyasny \(PDF\)](#) – Owner and Chairman of OAO TMK. Designated on 15 March 2022.

¹⁰⁸ Everton FC, [Club statement](#), 2 March 2022

¹⁰⁹ HM Treasury, [Financial Sanctions Notice](#) (PDF), 26 July 2022

- [Vadim Moshkovich \(PDF\)](#) – Chairman of the Board of Directors of Rusagro Group. Designated on 15 March 2022.
- [Eugene Schvidler \(PDF\)](#) – a billionaire businessman with close links to Roman Abramovich. Designated on 24 March 2022.
- [Oleg Tinkov \(PDF\)](#) – Founder of Tinkoff Bank. Designated on 24 March 2022.
- [Herman Gref \(PDF\)](#) – CEO of Sberbank, which is already subject to UK sanctions, and advisor of President Putin. Designated on 24 March 2022.
- [Oleg Aksyutin \(PDF\)](#) – Deputy Chairman of the Management Board of Gazprom. Designated on 24 March 2022.
- [Didier Casimiro \(PDF\)](#) – First Vice President of Rosneft. Designated on 24 March 2022.
- [Zeljko Runje \(PDF\)](#) – Deputy Chairman of the Management Board of Rosneft. Designated on 24 March 2022.
- [Boris Borisovich Rotenberg \(PDF\)](#) – Son of Boris Rotenberg, who was sanctioned by the UK at the end of February 2022. Designated on 6 April 2022.
- [Sergey Ivanov \(PDF\)](#) – President of diamond company Alrosa, which is also subject to UK sanctions. Designated on 6 April 2022.
- [Andrey Akimov \(PDF\)](#) – CEO of Gazprombank. Designated on 6 April 2022.
- [Alexsander Dyukov \(PDF\)](#) – CEO of GazpromNeft. Designated on 6 April 2022.
- [Sergey Kogogin \(PDF\)](#) – Director of Kamaz which manufactures trucks and buses, including for the Russian military. Designated on 6 April 2022.
- [Andrey Guryev \(PDF\)](#) – a close associate of President Putin and founder of PhosAgro, a leading chemical company. Designated on 6 April 2022.
- [Leonid Mikhelson \(PDF\)](#) – CEO of Novatek. Designated on 6 April 2022.
- [Viatcheslav Kantor \(PDF\)](#) – largest shareholder of fertiliser company Acron. Designated on 6 April 2022.
- [David Davidovich \(PDF\)](#) – a Russian/Israeli businessman closely associated with Roman Abramovich.¹¹⁰ Designated on 14 April 2022.
- [Eugene Tenenbaum \(PDF\)](#) – close associate of Roman Abramovich.¹¹¹ Designated on 14 April 2022.
- [Vladimir Potanin \(PDF\)](#) – Russia's second wealthiest man and a key supporter of the Kremlin. Has acquired Rosbank and shares in Tinkoff Bank in the since the Russian invasion of Ukraine.¹¹² Designated on 29 June 2022.
- [God Nisanov and Zarakh Iliev \(PDF\)](#) – own and control one of Russia's largest construction companies, Kievskaya Ploshchad Group. Designated on 26 September 2022.
- [Iskander Makhmudov \(PDF\)](#) – President and founder of Ural Mining and Metallurgic Company.
- [Igor Makarov \(PDF\)](#) – President and owner of Areti International, a major investor in the oil and gas industry.

¹¹⁰ Foreign, Commonwealth and Development Office, [Press release](#), 14 April 2022

¹¹¹ Foreign, Commonwealth and Development Office, [Press release](#), 14 April 2022

¹¹² Foreign, Commonwealth and Development Office, [Press release](#), 29 June 2022

- [Alexander Abramov \(PDF\)](#) – a former non-executive chairman and former director of Russian steel manufacturer Evraz. Designated on 2 November 2022.
- [Alexander Frolov \(PDF\)](#) – a former director and former CEO of Evraz. Designated on 2 November 2022.
- [Airat Shaimiev \(PDF\)](#) – CEO of state-owned transport and construction company OAO Tatavtodor. Designated on 2 November 2022.
- [Albert Shigabutdinov \(PDF\)](#) – General Director and CEO of AO TAIF group, which operates across the Russian energy, financial services, communications, and digital services sectors. Designated on 2 November 2022.

Powers to ban Russian aircraft from overflying or landing in the UK, and to detain aircraft, including those owned by oligarchs, were announced by the Government on 9 March and are set out in the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.6\) Regulations 2022](#). The explanatory memorandum to that legislation states:

To prevent obfuscation and target the ultimate beneficiary owners, who may hide behind shell companies or similar, these measures may be taken against those who:

- possess the legal title to the aircraft, or to any share in the aircraft, or
- have a beneficial interest in the aircraft or in any share in the aircraft.¹¹³

Under this legislation contravention of these prohibitions will be a criminal offence.¹¹⁴

As outlined above, Russian ships are also banned from UK ports.

Under the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.7\) Regulations 2022](#), made on 30 March, technical assistance related to aircraft and ships belonging to specific sanctioned individuals or associated businesses, is also prohibited.

On 29 June the Government announced that new measures will be introduced to prevent Russian oligarchs from accessing UK trust services, which allow a person or business to manage the assets of another and are considered “a major element of the UK’s world-class financial services sector that Russia will no longer be able to use”.¹¹⁵

¹¹³ HM Treasury, [Explanatory Memorandum to the Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.6\) Regulations 2022](#)

¹¹⁴ HM Treasury, [Explanatory Memorandum to the Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.6\) Regulations 2022](#)

¹¹⁵ Foreign, Commonwealth and Development Office, [Press release](#), 29 June 2022

The Government has also established a cross-departmental Oligarch Taskforce to “coordinate cross-government work to sanction oligarchs, helping build cases against the list of oligarchs it has identified as targets”.¹¹⁶

Targeting disinformation

In addition to those individuals already identified above, the UK has announced that it will target Russian media, propagandists and regime spokespeople accused of spreading disinformation. Several of those individuals are already sanctioned under EU and US regimes and are being sanctioned under powers provided by the [Economic Crime \(Transparency and Enforcement\) Act 2022](#).

Of note, on 15 March the UK sanctioned Dmitry Peskov, President Putin’s Press Secretary, Maria Zakharova, Spokesperson for the Russian Ministry of Foreign Affairs and the Internet Research Agency, which has been described as “a notorious internet troll farm”.¹¹⁷

On 31 March the Foreign Secretary announced a new set of sanctions aimed at Russian propagandists and state media “who spread lies and deceit about Putin’s illegal invasion of Ukraine”.¹¹⁸ Of note are TV Novosti, which owns RT (formerly Russia Today)¹¹⁹ and Rossiya Segodnya, which controls news agency Sputnik. Sergey Brilev, an anchor on Rossiya who has previously lived in the UK, is also sanctioned, along with the CEO of Gazprom Media, Aleksandr Zharov, the Managing Director of RT, Alexey Nikolov and the Head of Sputnik International Broadcasting, Anton Anisimov. Seven individuals associated with the Strategic Culture Foundation, who were recently sanctioned by Australia, have also now been designated by the UK.¹²⁰

On 4 May more individuals and entities were sanctioned for spreading disinformation and justifying “Putin’s illegal invasion as a ‘special military operation’”.¹²¹ Among them are journalists embedded with Russian forces in Ukraine, several individuals at Channel One, a major state-owned media outlet in Russia, and “propaganda organisations” including Russia State Television and Radio Broadcasting, InfoRos, SouthFront and the Strategic Culture Foundation.¹²² Several individuals associated with SouthFront and other organisations accused of spreading disinformation including online news site, United World International, were sanctioned on 4 July 2022.¹²³

The [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.9\) Regulations](#), which came into force on 29 April 2022, also introduce requirements on all social

¹¹⁶ Foreign, Commonwealth and Development Office, [Press release](#), 3 March 2022

¹¹⁷ Foreign, Commonwealth and Development Office, [Press release](#), 15 March 2022

¹¹⁸ Foreign, Commonwealth and Development Office, [Press release](#), 31 March 2022

¹¹⁹ [Ofcom revoked RT’s broadcasting licence](#) in the UK on 18 March 2022. This is examined in greater detail in House of Commons Library briefing, [Countering Russian influence in the UK](#)

¹²⁰ Foreign, Commonwealth and Development Office, [Press release](#), 31 March 2022

¹²¹ Foreign, Commonwealth and Development Office, [Press release](#), 4 May 2022

¹²² HM Treasury, [Financial Sanctions Notice](#), 4 May 2022

¹²³ HM Treasury, [Financial Sanctions Notice](#), 4 July 2022

media services, including video sharing platforms, to take “reasonable steps” to prevent content being disseminated on that service by a person subject to sanctions (a designated person). Internet access services, including broadband providers, and app stores must also take reasonable steps to prevent users in the UK from accessing websites and downloading or accessing applications provided by a designated person.

The regulations also confer powers on Ofcom to impose monetary penalties on any person who fails to comply. Non-compliance is also a criminal offence.¹²⁴

Targeting the facilitators of Russian actions in Ukraine

The UK has already targeted several strategic industries that are directly supporting Russia’s invasion of Ukraine, primarily in the defence and transport sectors.

On 24 March 2022 the Government also sanctioned, for the first time, an individual directly collaborating with Russian forces currently in Ukraine. Galina Danilchenko who was [installed by Russia as the Mayor of Melitopol](#) after the elected Mayor was allegedly kidnapped by Russian forces, is now [subject to an asset freeze and travel ban](#).¹²⁵

The [Wagner Group](#), a Russia-based unincorporated private military entity, which has [reportedly deployed to eastern Ukraine](#), is also now subject to sanctions. The Group had already been [sanctioned by the EU](#) in December 2021 for its activities in Africa.

On 21 April 2022 the Government sanctioned [Ilya Kiva](#), an expelled Ukrainian MP who has openly supported the Russian invasion, along with several defence companies who have facilitated Russian military action.¹²⁶

On 16 June the Government announced that Russia’s Children’s Rights Commissioner, Maria Lvova-Belova would also be sanctioned for her alleged role in the forced transfer of Ukrainian children from the Luhansk and Donetsk regions and for facilitating their forced adoption in Russia.¹²⁷

Members of the “Salvation Committee for Peace and Order”, an organisation supporting the Russian Army’s occupation of the Kherson Oblast, were sanctioned at the end of July.¹²⁸ The UK also designated Vitaly Khotsenko and Vladislav Kuznetsov, the Russian-imposed Prime Minister and First Deputy Chairman of the Donetsk People’s Republic and the Luhansk People’s Republic

¹²⁴ [Explanatory memorandum to Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.9\) Regulations 2022](#), para. 7.6

¹²⁵ Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

¹²⁶ Foreign, Commonwealth and Development Office, [Press release](#), 21 April 2022

¹²⁷ Foreign, Commonwealth and Development Office, [Press release](#), 16 June 2022 and HM Treasury, [Financial Sanctions Notice](#), 16 June 2022

¹²⁸ Foreign, Commonwealth and Development Office, [Press release](#), 16 June 2022 and HM Treasury, [Financial Sanctions Notice](#), 16 June 2022

respectively. They have been accused of implementing Russian policies across the region and for using “sham referendums to falsely legitimise their occupation”.¹²⁹ Twenty-nine Russian Regional Governors have also been sanctioned for allegedly transferring money to the DPR and LPR, at the direction of the Kremlin.¹³⁰

At the end of November further sanctions were introduced against 22 individuals who have facilitated and enforced Russia’s partial mobilisation of up to 300,000 Russian citizens to fight in Ukraine. The partial mobilisation was announced in September 2022. Among those sanctioned was the Russian Deputy Prime Minister, Denis Manturov and the governors of 10 regional provinces including Dagestan, Ingushetia and Kalmykia which are among Russia’s poorest ethnic republics and from which a significant number of individuals have been conscripted.¹³¹

The Director of Russia’s federal prison service, Arkady Gostev, and the Head of the federal prison service in the Rostov region, Dmitry Bezrukh, have also been sanctioned for their role in actively recruiting prisoners, including murderers and sex offenders, into the Wagner Group in order to fight in Ukraine in exchange for a Presidential pardon.¹³²

Previously in July, and in coordination with the EU, the Government had also sanctioned one company and several individuals for recruiting Syrian mercenaries to fight alongside Russian forces in Ukraine.¹³³

Response to Russia’s annexation of occupied Ukrainian territory

In response to the “[sham](#)” [accession referendums](#) and the Kremlin’s subsequent annexation of four occupied regions of Ukraine: Donetsk, Luhansk, Kherson and Zaporizhzhia, at the end of September 2022,¹³⁴ the UK and its allies have imposed further collective sanctions targeting collaborators in the referendums and imposing new export bans on certain goods and services (see above).

Collaborators in the referendum

Thirty-three individuals identified as collaborators in the conduct of the referendums have been sanctioned, including Sergei Yeliseyev and Yevhen

¹²⁹ Foreign, Commonwealth and Development Office, [Press release](#), 26 July 2022 and HM Treasury, [Financial Sanctions Notice](#), 26 July 2022

¹³⁰ Foreign, Commonwealth and Development Office, [Press release](#), 26 July 2022 and HM Treasury, [Financial Sanctions Notice](#), 26 July 2022

¹³¹ Foreign, Commonwealth and Development Office, [Press release](#), 30 November 2022 and HM Treasury, [Financial Sanctions Notice \(PDF\)](#), 30 November 2022

¹³² Foreign, Commonwealth and Development Office, [Press release](#), 30 November 2022 and HM Treasury, [Financial Sanctions Notice \(PDF\)](#), 30 November 2022

¹³³ Foreign, Commonwealth and Development Office, [Press release](#), 26 July 2022 and HM Treasury, [Financial Sanctions Notice](#), 26 July 2022

¹³⁴ See House of Commons Library, [Implications of the Russian-Backed referendums in Ukraine](#)

Balytskyi, the Heads of the Russian-installed governments in Kherson and Zaporizhzhia respectively.¹³⁵

The PR company IMA Consulting has also been designated for its role in the public campaign surrounding the referendums, alongside security company Goznak involved in the production of state documents, including expedited passports, in the occupied regions.¹³⁶

In a separate, albeit linked move, the UK also sanctioned the Governor of the Russian Central Bank, Elvira Nabiullina, for her role in supporting Russia's actions in Ukraine and specifically for facilitating the introduction of the rouble as the official currency in the annexed regions.¹³⁷

In November 2022, the UK also sanctioned the Chair of the Central Election Commission, Ella Pamfilova, and the Head of the regional election commission in Rostov, Andrey Burov, for their role in organising the September referendums.¹³⁸

Humanitarian exemptions

On 7 July 2022 the Office of Financial Sanctions Implementation issued a [Humanitarian Activity General Licence](#) under the Russia sanctions regime.

In recognition of the fact that humanitarian activities, including the delivery of aid to Ukraine, may inadvertently be affected by the increasing number of sanctions designations being made by the Government, a General Licence has been issued which provides a blanket permission for the delivery of humanitarian assistance to Ukraine. Humanitarian actors will no longer have to apply for individual licences. However, there are a number of conditions. Namely:

- Permissions only extend to an approved category of organisations.
- Funds for humanitarian assistance must not be funds or economic resources that are owned, held or controlled by a sanctioned individual, thereby preventing them from circumventing sanctions.¹³⁹

5 Useful information

- HM Government, [Russia sanctions: guidance](#)
- Department for International Trade, [Trading under sanctions with Russia](#)
- HM Treasury, [Financial sanctions: Russia](#)

¹³⁵ The Heads of the Donetsk People's Republic and the Luhansk People's Republic, Denis Pushilin and Leonid Pasechnik are already on the UK sanctions list.

¹³⁶ Foreign, Commonwealth and Development Office, [Press release](#), 26 September 2022

¹³⁷ Foreign, Commonwealth and Development Office, [Press release](#), 30 September 2022

¹³⁸ Foreign, Commonwealth and Development Office, [Press release](#), 30 November 2022 and HM Treasury, [Financial Sanctions Notice \(PDF\)](#), 30 November 2022

¹³⁹ Office for Financial Sanctions Implementation, [Blog](#), 7 July 2022

- Foreign, Commonwealth and Development Office, [UK sanctions relating to Russia](#)
- Office for National Statistics, [The impact of sanctions on UK trade with Russia: June 2022](#)

4

Coordinating with allies

The US has described the coordination between allies on sanctions measures against Russia as an “unprecedented act of global sanctions coordination”.¹⁴⁰

“The financial sanctions, trade restrictions, and export controls put in place against Russia are being implemented by a coalition that includes more than 30 countries from around the globe who represent more than fifty percent of the global economy...”

[US Deputy Secretary of the Treasury, Wally Adeyemo](#), 18 April 2022

There have been differences between the respective sanction regimes, particularly over the individuals that have been sanctioned, or the timing of those designations.¹⁴¹ This has, in part, been due to the different legal frameworks each country is operating in.

When previously asked about the discrepancies on 28 February, the former Foreign Secretary stated:

This is not a competition between us and our allies; this is a concerted endeavour, where all of us are doing all we can as quickly as we can to show unity and to deliver a massive hit to the Russian economy [...]

There are areas where we are going a lot further than our allies. There are some areas where they have gone further than us. We need to continue to make progress together. That is what sends a strong message to Putin.¹⁴²

The passage of the [Economic Crime \(Transparency and Enforcement\) Act 2022](#) has allowed the UK to immediately designate individuals and entities that have already been sanctioned by the EU, US and other allies, under emergency procedures.

This section looks at the latest sanction measures introduced by the United States, the EU and other Western allies including Canada and Australia.

¹⁴⁰ White House, [Background Press Call](#), 27 February 2022

¹⁴¹ See for example, Financial Times, “Why the US has hit some Russian oligarchs with sanctions but not others”, 14 April 2022

¹⁴² HC Deb 28 February 2022, [Sanctions](#)

4.1

United States

6 Latest developments

Since this briefing was last updated (16 November 2022):

- As part of a wider package of sanctions relating to global human rights and corruption, [the US has sanctioned four individuals accused of involvement in filtration operations in Ukraine](#), a practice where Ukrainian citizens have been subjected to interrogation and searches to ascertain any links with the Ukrainian government or military. There have been [allegations of deportations, forced disappearances and torture in relation to Russia's filtration operations](#).

Initial sanctions

In immediate response to the Russian recognition of the DPR and LPR, [President Biden signed an Executive Order prohibiting new trade, investment and financing in the DPR and LPR](#) and providing for sanctions to be imposed against anyone operating in those regions.

The White House said the measures were solely a response to “Russia’s recognition gambit” and did not represent the “swift and severe economic measures” that were being discussed with allies should Russia invade Ukraine.¹⁴³

[A package of initial sanctions measures was then announced by the US administration](#) on 22 February 2022:

- Full blocking sanctions on two Russian financial institutions: Vnesheconombank and Promsvyazbank, and their subsidiaries. Their assets in the US will be frozen and US individuals and companies will be prohibited from doing business with them.
- Expanded sovereign debt prohibitions that will restrict US individuals and businesses from participation in secondary markets for new debt issued by the Central Bank of the Russian Federation, the National Wealth Fund of the Russian Federation, and the Ministry of Finance of the Russian Federation.
- Sanctions on five individuals and their families: Aleksandr Bortnikov, Denis Bortnikov, Sergei Kiriyenko, Vladimir Kiriyenko Promsvyazbank CEO Petr Fradkov.

¹⁴³ White House, [Statement by Press Secretary Jen Psaki on Russian announcement on eastern Ukraine](#), 21 February 2022

- A determination by the US Treasury that any institution in the Russian financial services sector is a target for future sanctions.¹⁴⁴

The US also reinstated sanctions on Nord Stream 2 AG, the company that owns the pipeline, and its CEO, Matthias Warnig, which it had waived in May 2021.¹⁴⁵

When announcing the sanctions, President Biden warned Russia:

As Russia contemplates its next move, we have our next move prepared as well. Russia will pay an even steeper price if it continues its aggression, including additional sanctions.¹⁴⁶

Sanctions imposed after the invasion of Ukraine

In response to Russian military action the US administration announced further sanctions on 24 February, in line with announcements by the UK and the EU. Among specific measures:¹⁴⁷

- Sanctions against Russia's two largest financial institutions to prevent them making clearing payments in US dollars: Sberbank and VTB Bank, which are estimated to make up more than half of the total banking system in Russia by asset value. All foreign owned subsidiaries of each company are covered by the prohibitions.
- Blocking sanctions on three additional major Russian financial institutions and their subsidiaries: Otkritie, Novikombank and Sovcombank.
- Restrictions on some of Russia's largest state-owned enterprises, including Gazprom, Rostelecom, AlfaBank, Alrosa, Transneft and RusHydro, preventing them from raising money on US markets.¹⁴⁸
- A ban on almost half of Russia's high-tech imports, to stop it developing its military capabilities.
- The designation of several individuals within Putin's inner circle, and certain family members with ties to state-owned companies that have been sanctioned.¹⁴⁹

The US Treasury estimated the announcements would target "nearly 80% of all banking assets in Russia".¹⁵⁰

¹⁴⁴ The US administration estimates that over 80% of Russia's daily foreign exchange transactions globally are in US dollars and half of Russia's international trade is conducted in US dollars (White House, [Fact Sheet: United States imposes first tranche of swift and severe costs on Russia](#), 22 February 2022)

¹⁴⁵ US Department of State, [Sanctioning NS2 AG](#), 23 February 2022

¹⁴⁶ White House, [Remarks by President Biden announcing response to Russian actions in Ukraine](#), 22 February 2022

¹⁴⁷ US Department of the Treasury, [Press release](#), 24 February 2022

¹⁴⁸ US Department of the Treasury, [Directive 3 under Executive Order 14024](#), Annex 1

¹⁴⁹ US Department of the Treasury, [Russia-related designations](#), 24 February 2022

¹⁵⁰ US Department of the Treasury, [Press release](#), 24 February 2022

On 25 February, the US also announced sanctions on President Putin and Russian Foreign Minister Sergey Lavrov. It also sanctioned Russian defence minister Sergei Shoigu and Chief of the General Staff of the Russian Armed Forces Valery Gerasimov.¹⁵¹

As part of the Joint Statement on Further Restrictive Measures announced on 26 February (see above), the US Treasury confirmed it was not only sanctioning the Russian Central Bank but was also introducing sanctions on the Russian Direct Investment Fund, “a known slush fund for President Putin and his inner circle”.¹⁵²

Further sanctions against individuals were introduced on 3 March 2022. Alisher Usmanov, Nikolai Tokarev, the CEO of Transneft and Dmitry Peskov, President Putin’s Press Secretary were among those sanctioned. A further 19 oligarchs and 47 family members and associates are also subject to a US travel ban. Seven Russian organisations involved in spreading “false narratives” were also targeted, along with 22 Russian defence firms.¹⁵³

On 15 March the US State Department announced that it was also targeting 11 members of Russia’s defence ministry, including all Russia’s Deputy Ministers of Defense, the Commander in Chief of Russia’s National Guard Troops, Viktor Zolotov, and the Director General of Rosoboronexport, Alexander Mikheev.¹⁵⁴

To bring the US into line with its allies, on 24 March 2022 the US Treasury moved to sanction “key enablers of the invasion”, including dozens of Russian defence companies, 328 members of the Russian Duma, the Board members of Sovcombank and the Head of Sberbank, Herman Gref.¹⁵⁵ The US State Department also announced that additional members of the Russian elite, and their family members would be sanctioned. Among them was Gennady Timchenko, already subject to UK and EU sanctions.¹⁵⁶

The US has also designated the Russian Duma as an entity in its own right,¹⁵⁷ and issued [new guidance](#) to clarify that “any transaction involving gold related to the Central Bank of the Russian Federation is covered by existing sanctions”.¹⁵⁸

At the end of March 2022, several Russia technology companies were also designated by the US including Mikron, Russia’s largest microchip maker and exporter of more than 50% of Russian microelectronics.¹⁵⁹ The US Treasury also expanded its sanctions authority to include the aerospace, marine and

¹⁵¹ US State Department, [Imposing sanctions on President Putin and three other senior Russian officials](#), 25 February 2022

¹⁵² US Department of State, [Additional measures against the Russian financial system](#), 28 February 2022

¹⁵³ US Department of the Treasury, [Russia-related designations](#), 3 March 2022

¹⁵⁴ US State Department, [Press release](#), 15 March 2022

¹⁵⁵ US Department of the Treasury, [Press release](#), 24 March 2022

¹⁵⁶ US Department of State, [Press release](#), 24 March 2022

¹⁵⁷ US Department of the Treasury, [Press release](#), 24 March 2022

¹⁵⁸ US Department of the Treasury, [Press release](#), 24 March 2022

¹⁵⁹ US Department of the Treasury, [Sanctions Notice](#), 31 March 2022

electronics sectors of the Russia economy, allowing for sanctions to be imposed on any company or individual operating in those sectors.¹⁶⁰

US ban on Russian oil, gas and coal imports

On 8 March President Biden signed an [Executive Order](#) banning the import of Russian crude oil, certain petroleum products, liquefied natural gas and coal to the United States. In 2021 imports of Russian oil accounted for just under 10% of total US imports.¹⁶¹

In doing so, the US administration acknowledged that “not all of our Allies and partners are currently in a position to join us. But we are united with our Allies and partners in working together to reduce our collective dependence on Russian energy”.¹⁶²

Restrictions have also been placed on US investment in Russia’s energy sector, either directly or indirectly through foreign companies.

As outlined above, at the beginning of September the US, as a member of the G7, also agreed to work toward the introduction of a price cap on oil imports, in coordination with the EU and a broader coalition of third nations.

Revoking Russia’s MFN status

On 11 March President Biden confirmed that the US will revoke Russia’s Permanent Normal Trade Relations (PNTR) status, also referred to as Most Favoured Nation (MFN) status.¹⁶³ Revoking PNTR status will allow the US to increase, and impose new, tariffs on all Russian imports.

The legislation will also apply to Belarus, which will be prevented from joining the World Trade Organisation (WTO).

Congress fast tracked the legislation, on a bipartisan basis, and President Biden signed the [Suspending Normal Trade Relations with Russia and Belarus Act](#) into law on 8 April 2022.

Luxury goods

The US also announced that it would ban imports of Russian diamonds, vodka and seafood, key sectors of the Russian economy.¹⁶⁴ The export of luxury goods from the US to Russia will also be prohibited.

Task Force KleptoCapture

The US Justice Department has also announced the creation of Task Force KleptoCapture, an interagency law enforcement taskforce dedicated to

¹⁶⁰ US Department of the Treasury, [Press release](#), 31 March 2022

¹⁶¹ White House, [Background press call](#), 8 March 2022

¹⁶² White House, [Fact sheet](#), 8 March 2022

¹⁶³ White House, [Remarks by President Biden announcing actions to continue to hold Russia accountable](#), 11 March 2022

¹⁶⁴ US Department of the Treasury, [Executive Order on Prohibiting Certain Imports](#), 11 March 2022

implementation of the US sanctions regime against Russia.¹⁶⁵ It is intended to complement the transatlantic task force announced on 26 February that will work to identify and seize the assets of sanctioned individuals and entities.

An ongoing response to alleged Russian atrocities in Ukraine

On 6 April 2022, and in concert with allies, the US announced that it would take additional “major steps” to “degrade the economy of the Russian Federation in response to Russia’s continued brutal war against Ukraine and atrocities against Ukrainian citizens”.¹⁶⁶ Among the measures announced were:

- Full blocking sanctions on Sberbank, Russia’s largest state-owned bank, and 42 of its subsidiaries and Alfa Bank, Russia’s largest private bank, and six of its subsidiaries.
- Sanctions against President Putin’s daughters and Sergey Lavrov’s daughter and against Sergey Lavrov’s wife, Maria Lavrova.
- Sanctions against the remaining members of the Russian National Security Council not previously designated in February 2022 (see above), including former President Dmitry Medvedev and Prime Minister Mikhail Mishustin.
- A ban on new investment in Russia.¹⁶⁷
- The designation of state-owned enterprises, including the diamond company Alrosa, and the United Shipbuilding Corporation (USC). Eight board members of USC were also sanctioned.¹⁶⁸ Both companies are already sanctioned by the UK and the EU.¹⁶⁹

On 8 May the US Treasury announced additional sanctions measures. Individuals and entities “critical to Russia’s ability to wage war against Ukraine” were targeted, including:

- The Board members of Sberbank and Gazprombank.
- Moscow Industrial Bank, and its subsidiaries, which among other things is alleged to have facilitated transactions for the Russian intelligence services.
- The state- supported weapons manufacturer Promtekhlogiya.
- Three of Russia’s most highly viewed state-controlled television stations: Channel One, Russia-1 and NTV Broadcasting Company.¹⁷⁰

¹⁶⁵ US Department of Justice, [Press release](#), 2 March 2022

¹⁶⁶ US Department of the Treasury, [Press release](#), 6 April 2022

¹⁶⁷ US Department of the Treasury, [Press release](#), 6 April 2022

¹⁶⁸ US State Department, [Fact Sheet](#), 7 April 2022

¹⁶⁹ US Department of the Treasury, [Press release](#), 7 April 2022

¹⁷⁰ US Department of the Treasury, [Press release](#), 8 May 2022

The US State Department also designated 8 Russian companies providing maritime-related services, including the Russian Ministry of Defence's shipping company Oboronlogistika, and their associated vessels.¹⁷¹

It has also imposed visa restrictions on Russian military officials, members of Russian-backed or installed "authorities" in Ukraine and associated family members. 2,596 members of the Russian military have subsequently had visa restrictions imposed.¹⁷²

On 2 June the US announced further measures "to degrade the key networks used by Russia's elites, including President Vladimir Putin, to attempt to hide and move money and anonymously make use of luxury assets around the globe".¹⁷³ Specifically the US has targeted several prominent Russian government officials already designated by the UK and EU, including Maria Zakharova, spokesperson of the Russian Ministry of Foreign Affairs, and Alexey Mordashov, the head of Severgroup and one of Russia's wealthiest men, along with his wife, two adult children and several associated companies.¹⁷⁴ Kremlin-linked yacht brokerage firm Imperial Yachts, Sergei Rodulgin, who the US has identified as "the custodian of President Putin's offshore wealth", and God Nisanov, "one of the richest men in Europe and a close associate of several Russian officials", have also been designated.¹⁷⁵ Rodulgin had already been designated by the UK, the EU, Australia and New Zealand. In order to enforce existing sanctions, the US also identified several vessels and aircraft in which sanctioned individuals, including President Putin, maintain an interest.¹⁷⁶

Bringing the US further into line with allies

The US State Department announced a significant package of sanctions measures on 28 June in order to "further align with measures taken by Australia, Canada, the European Union, Japan, New Zealand and the UK".¹⁷⁷ Among those targeted were:

- Russia's defence establishment including its largest defence conglomerate, Rostec, including 19 of its board members, and a further 45 defence-related entities, including export agency Rosoboronexport.
- Russia's Federal Security Service (FSB), which is already sanctioned under the Countering America's Adversaries through Sanctions Act. The FSB is alleged to be directly involved in the forcible relocation of Ukrainian citizens to Russian-controlled territory or to Russia itself and the running of filtration camps.

¹⁷¹ US Department of State, [Fact Sheet](#), 8 May 2022

¹⁷² US Department of State, [Fact Sheet](#), 8 May 2022

¹⁷³ US Department of the Treasury, [Press release](#), 2 June 2022

¹⁷⁴ US Department of State, [Press release](#), 2 June 2022

¹⁷⁵ US Department of the Treasury, [Press release](#), 2 June 2022

¹⁷⁶ US Department of the Treasury, [Press release](#), 2 June 2022

¹⁷⁷ US State Department, [Press release](#), 28 June 2022

- Halyna Danylchenko (also spelt Galina Dalinchenko) installed by Russia as the “illegitimate” mayor of Melitopol. The UK designated Danylchenko in March 2022.
- Three Russian military units that have been implicated in human rights abuses or violations of international humanitarian law in Bucha. Visa restrictions have been placed on 511 Russian military officers.
- 18 Russian nationals involved in the suppression of dissent, both at home and abroad.
- The Russia-based Interregional Social Organization Union of Donbas Volunteers (UDV), which is recruiting and deploying fighters in support of Russian military units in the Donbas. 16 senior officials of the UDV have also been designated.

In line with the UK, Canada and Japan the US will also prohibit the import of gold originating in Russia.¹⁷⁸ Tariffs will also be raised on 570 groups of Russian products, collectively worth approximately \$2.3 billion.¹⁷⁹

Further measures were announced on 2 August:

- Russian oligarchs Dmitry Pumpyanskiy, Andrey Melnichenko and Alexander Ponomarenko are now subject to US sanctions. All three individuals are already subject to EU and UK sanctions.
- The State Transportation Leasing Company, and four subsidiaries which have enabled the company to access Western financial markets to fund its activities, have been designated. The company has already been designated by the UK and the EU.
- Four individuals and one entity working in collaboration with Russia to undermine stability in Ukraine have been sanctioned: the Salvation Committee for Peace and Order which support’s Russian control of the Kherson region; Kostyantyn Ivashchenko, the Russian-installed mayor of Mariupol; Volodymyr Saldo and Kyrlo Stremousov, Head and Deputy Head of the Russian created Kherson Military-Civilian Administration respectively and Sergey Yeliseyev, Head of the Russian-installed Kherson regional government.
- A further 24 Russian defence and technology companies, many of which specialise in microelectronics, semiconductors, nanotechnology and cryptography.
- An additional 893 Russian officials are now subject to sanctions, including members of the Federation Council and the Russian military.
- 31 foreign government officials have also been designated for their support of Russia’s annexation of Crimea.¹⁸⁰

On 2 August, the US Treasury also designated a number of individuals connected to the Kremlin, including Andrey Guryev who owns Witanhurst Estate, the second largest estate in London. Mr Guryev was designated in the

¹⁷⁸ US Department of the Treasury, [Press release](#), 28 June 2022

¹⁷⁹ US State Department, [Press release](#), 28 June 2022

¹⁸⁰ US Department of State, [Press statement](#), 2 August 2022 and US Department of State, [Factsheet](#), 2 August 2022

UK in April 2022. Alina Kabaeva, President Putin's alleged partner, has also been sanctioned.¹⁸¹

Further measures were introduced on 15 September. Several individuals identified as supporting, or enabling, the theft of Ukrainian grain harvests on behalf of Russia, have been sanctioned. Additional individuals operating in Ukraine on behalf of the Russian government have also been designated, including those appointed to the military-civil administrations established in Kherson and Zaporizhzhia and members of the Salvation Committee for Peace and Order, which the US sanctioned as an entity in August 2022.¹⁸² The US Treasury has also designated Maria Lvova-Belova, for her role in Russian efforts to forcibly deport thousands of Ukrainian children to Russia and re-designated the Chechen leader Ramzan Kadyrov, along with members of his family.¹⁸³ Belova was sanctioned by the UK in June 2022.

The US has also designated the neo-Nazi paramilitary group, Task Force Rusich, which has been identified as participating alongside Russian forces in Ukraine, including in the Kharkiv region.¹⁸⁴

Several high-technology industries that contribute to Russia's military capabilities have also been targeted, including those in the Russian space sector, and those specialising in microprocessing, nanotechnology, quantum technologies and microelectronics.¹⁸⁵

On 15 December 2022, the US also designated Russian oligarch, Vladimir Potanin, along with several members of his family, his company Interros which operates across all sectors of the Russian economy and the Russian bank Rosbank (which Potanin acquired earlier in 2022.)¹⁸⁶ Potanin and Rosbank have already been sanctioned by the UK and Canada. Further designations were made with respect to five board members of Russian Railways, which the US designated as an entity in February 2022, and several Russian regional governors, which the UK designated at the end of November 2022 for their role in the mobilisation of Russian citizens (see above).

The US also designated 17 subsidiaries of VTB Bank, which was previously sanctioned in February 2022, including a financial company based in the UK: Embassy Development Limited.¹⁸⁷

¹⁸¹ US Department of the Treasury, [Press release](#), 2 August 2022

¹⁸² US Department of State, [Fact sheet](#), 15 September 2022

¹⁸³ US Department of the Treasury, [Press release](#), 15 September 2022

¹⁸⁴ US Department of the Treasury, [Press release](#), 15 September 2022

¹⁸⁵ US Department of State, [Fact sheet](#), 15 September 2022

¹⁸⁶ US Department of State, [Fact Sheet](#), 15 December 2022 and US Department of the Treasury, [Press release](#), 15 December 2022

¹⁸⁷ US Department of the Treasury, [Press release](#), 15 December 2022

Response to the Russian annexation of Ukrainian territory

In response to the referendums in Donetsk, Luhansk, Kherson and Zaporizhzhia, and Russia's subsequent move to annex those regions, the US announced that, in concert with allies, it would impose additional sanctions targeting Russian officials, their families, military officials and defence procurement networks, including international suppliers.¹⁸⁸

- Visa restrictions have been placed on 910 individuals prohibiting entry to the US.
- Russian national Ochur-Suge Mongush is sanctioned for his role in a "gross violation of human rights" perpetrated against a Ukrainian prisoner of war.
- The remaining members of the State Duma members not previously designated in March 2022 (see above) and all members of the Federation Council are subject to sanctions.¹⁸⁹
- Elvira Nabiullina, Governor of the Russian Central Bank is sanctioned, along with Olga Skorobogatova, First Deputy Governor of the Central Bank.¹⁹⁰
- Family members of Russia's National Security Council have been designated.
- Further entities and individuals, including international suppliers, who have supported Russia's defence sector are targeted in this latest round. The US State Department said "this action sends a clear message that international suppliers of sanctioned Russian entities and Russia's defense sector run the risk of being sanctioned".¹⁹¹

In December 2022, and as part of a wider sanctions package relating to global human rights, the US announced sanctions against four Russian individuals accused of involvement in filtration operations in occupied Ukraine, whereby Ukrainian civilians are subject to search and interrogation to ascertain any links to the Ukrainian government or military.¹⁹² [Forced deportations, disappearances and torture have been linked to Russia's filtration operations.](#)

The US has also sanctioned Lyudmila Zaitseva for their role in the kidnapping and forces relocation of children from Ukraine, and Russia's Central Election Commission, and all of its members, for helping to oversee and monitor the

¹⁸⁸ US Department of State, [Press release](#), 30 September 2022 and US Department of the Treasury, [Press release](#), 30 September 2022

¹⁸⁹ With the exception of Federation Council Chair Valentina Matviyenko who was designated by the US in February 2022. The EU and UK have already designated the members of the State Duma and Federation Council.

¹⁹⁰ The UK designated Nabiullina on the same day but did not designate Skorobogatova. The US has designated Skorobogatova following earlier guidance on Russian efforts to evade sanctions through its Mir payment system, for which she has oversight.

¹⁹¹ US Department of State, [Press release](#), 30 September 2022

¹⁹² US Department of the Treasury, [Press release](#), 9 December 2022

referendums in areas of Russian-occupied Ukraine in September 2022.¹⁹³ The chair of the Central Election Commission, Ella Pamfilova, was also sanctioned by the UK (see above).

On 15 December the US State Department also announced the designation of several Russian-appointed proxy officials operating in Kherson and Donetsk.¹⁹⁴

Sanctions evasion

In March 2022, the US announced sanctions on several companies to prevent them evading sanctions and procuring “critical Western technology”.¹⁹⁵ Among them were Radioavtomatika, which specialises in procuring foreign items for Russia’s defence industry and Russia-based Serniya Engineering, which the US considers to be at the centre of “a procurement network engaged in proliferation activities at the direction of Russian Intelligence Services”, in order to procure critical technologies for the Russian government.¹⁹⁶ Two companies in the UK, Majory LLP and Photon Pro LLP have been identified by the US as front companies being utilised by Serniya for its sanctions evading procurement activities. Both companies were designated by the UK on 31 March 2022. Several individuals associated with Serniya, and its identified front companies, have also been sanctioned by the US.

The US has also recently targeted Russian-based cybercrime networks, virtual currency exchanges and virtual currency mining companies that potentially allow for sanctions evasion.¹⁹⁷

On 20 April 2022 the US Treasury designated Russian commercial bank, Transkapitalbank and a global network of more than 40 individuals and entities involved in sanctions evasion and led by Russian oligarch Konstantin Malofeyev.¹⁹⁸ The US Department of Justice had previously charged Malofeyev for violating US sanctions on 6 April 2022.¹⁹⁹

On 8 May the US Treasury also announced a ban on the provision of services used by the Russian government and elites in order to evade sanctions. Those services include accounting, management consulting, and trust and corporate formation services and are similar to measures imposed by the UK. In addition, the US has determined that any individual or entity that has operated in these sectors could be subject to future sanctions. This prohibition entered into force on 7 June 2022.²⁰⁰

¹⁹³ US Department of the Treasury, [Press release](#), 9 December 2022

¹⁹⁴ US Department of State, [Fact Sheet](#), 15 December 2022

¹⁹⁵ US Department of the Treasury, [Press release](#), 31 March 2022

¹⁹⁶ US Department of the Treasury, [Press release](#), 31 March 2022

¹⁹⁷ US Department of the Treasury, [Press release](#), 5 April 2022 and [Press release](#), 20 April 2022

¹⁹⁸ US Department of the Treasury, [Press release](#), 20 April 2022. Malofeyev was designated by the US in 2014.

¹⁹⁹ US Department of Justice, [Press release](#), 6 April 2022

²⁰⁰ US Department of the Treasury, [Press release](#), 8 May 2022

At the end of June, Uzbekistan-based company Promcomplektlogistic Private was also designated for actively supporting the already sanctioned company Radioavtomatika in its efforts to evade sanctions. The US state Department said “The designation of Promcomplektlogistic Private Company should serve as a warning to commercial stakeholders worldwide: If you do business with sanctioned entities or individuals, you risk exposure to sanctions”.²⁰¹ A further three individuals, Alexander Kokorev, Natalia Kokoreva and Dmitriy Afanasyev, and one entity registered in Hong Kong, EMC Sud Ltd were also designated for links to a covert procurement network operated by Russia’s FSB.²⁰²

On 2 August the US Treasury designated JSC Promising Industrial and Infrastructure Technologies, a financial institution owned by the Russian Federal Agency for State Property Management. The company is alleged to have attempted to facilitate the evasion of sanctions imposed on the Russian Direct Investment Fund.²⁰³

On 15 September the US Treasury also designated several individuals associated with institutions that play a role in Russia’s financial market infrastructure. These included the Chief Executive of the National Card Payment System, an entity (owned by Russia’s Central Bank) that operates the country’s Mir payment system.²⁰⁴ The Mir system was established by Russia in 2014 as an alternative to Visa and Mastercard and is increasingly viewed as a potential route to sanctions evasion as more countries accept it as a means of conducting transactions. On 20 September two of Turkey’s largest private banks suspended their acceptance of transactions through the Mir system for fear of secondary US sanctions.²⁰⁵ That move was followed by all of Turkey’s state-owned banks on 29 September.²⁰⁶ In early October Egypt’s Central Bank also shelved plans to introduce the Mir payment system.²⁰⁷

As part of the sanctions package announced in response to Russia’s annexation of Ukrainian territory at the end of September, the US Department of Commerce designated a further 57 Russian entities for “acquiring or attempting to acquire US-origin items in support of the Russian military”.²⁰⁸ Included are additional designations against the network of Radioavtomatika, which was sanctioned in March 2022 (see above), including Chinese firm, Sinno Electronics and Armenian firm, Taco LLC. Radioavtomatika’s General Director, Vladimir Ivanov and two Deputy General Directors, Sergey Byzov and Dmitrii Galin have also been designated.²⁰⁹

²⁰¹ US State Department, [Fact Sheet](#), 28 June 2022

²⁰² US Department of the Treasury, [Press release](#), 28 June 2022

²⁰³ US Department of the Treasury, [Press release](#), 2 August 2022

²⁰⁴ US Department of the Treasury, [Press release](#), 15 September 2022

²⁰⁵ The Moscow Times, [“Major Turkish banks halt use of Russia’s Mir payment system”](#), 20 September 2022

²⁰⁶ Reuters, [“Turkey’s state banks suspend use of Russian Mir payment system”](#), 29 September 2022

²⁰⁷ AL Monitor, [“Egypt freezes Russian Mir payments to avoid US sanctions”](#), 8 October 2022

²⁰⁸ US Department of the Treasury, [Press release](#), 30 September 2022

²⁰⁹ US Department of the Treasury, [Press release](#), 30 September 2022

In mid-October the US Treasury, in coordination with the Department of Justice and the FBI, announced sanctions against Russian procurement agent Yury Orehov and his companies Opus Energy Trading and Nord Deutsche Industriebau. Orehov is accused by the US of procuring US-origin technologies for Russian end-users, components of which have been found in Russian weapons in Ukraine.²¹⁰ Along with four other Russian nationals, Orehov has been charged with global sanctions evasion.²¹¹

Further designations have also been made with respect to “international facilitators and enablers”, including three companies tied to Russian microelectronics company Milandr (itself sanctioned), based in Armenia, Taiwan and Switzerland.²¹² The US Treasury has also designated family members of Suleiman Kerimov (already sanctioned by the US), and various individuals and companies across the globe, including in the British Virgin Islands, associated with the Kerimov family. The Treasury has also targeted two Swiss-based holding companies associated with Kremlin associate Andrey Guryev.²¹³

7 Relevant links

- US Department of State, [The impact of sanctions and export controls on the Russian Federation](#), 20 October 2022
- US Department of the Treasury, [Press releases](#)
- US Department of the Treasury, [Ukraine/Russia related sanctions](#)
- A list of US sanctioned individuals is available from the [US Treasury](#)
- US State Department, [Latest Ukraine updates](#)

4.2

European Union

8 Latest developments

[A ninth package of sanctions](#) was announced on 7 December 2022 and [agreed by the Council of Ministers on 16 December](#). Among the latest measures are:

- The designation of 141 individuals and 49 entities linked to Russia’s campaign of deliberate missile strikes against civilians, the kidnapping of

²¹⁰ US Department of the Treasury, [Press release](#), 19 October 2022

²¹¹ US Department of Justice, [Press release](#), 19 October 2022

²¹² US Department of State, [Press release](#), 14 November 2022

²¹³ US Department of State, [Press release](#), 14 November 2022 and US Department of the Treasury, [Press release](#), 14 November 2022

Ukrainian children to Russia, the spread of disinformation and the theft of Ukrainian agricultural products.

- The introduction of sanctions against three additional Russian banks, including the Russian Regional Development Bank.
- The imposition of new export controls and restrictions on dual-use goods, including key chemicals, nerve agents, electronics and IT components.
- An export ban on drone engines to Russia and any third countries, such as Iran, that could supply drones to Russia.
- Suspending the broadcasting licences of a further four Russian media channels.
- Further economic measures against Russia's energy and mining sectors, including a ban on new mining investment in Russia.
- EU nationals will also be prohibited from holding any post on the governing bodies of all Russian state-owned or controlled bodies or entities located in Russia.

On 12 December 2022, the EU also announced additional sanctions against four Iranian individuals and four entities for their role in the development and delivery of unmanned aerial vehicles to Russia, for use in its war in Ukraine.

Prior to the onset of Russian military action in Ukraine on 24 February 2022, EU restrictive measures relating to the sovereignty and territorial integrity of Ukraine already applied to 193 individuals and 48 entities. Those designated individuals are subject to an asset freeze and a travel ban. This includes three members of the Russian Duma who were sanctioned on 21 February 2022, having been elected in Russia's September 2021 parliamentary elections to represent Crimea and the City of Sevastopol. The Head and Deputy Head of the Sevastopol Electoral Commission were also sanctioned.²¹⁴ In concert with allies, on 22 February EU Foreign Ministers agreed a further package of sanctions. Measures included:

- [351 members of the Russia Duma](#) who voted for recognition of the DPR and LPR were listed.
- [26 individuals and entities playing a role in undermining or threatening Ukrainian territorial integrity, sovereignty and independence](#), including banks that are financing Russian decision makers, those in the defence sector that played a role in the invasion and those responsible for waging a disinformation war against Ukraine, will be subject to targeted sanctions. Russian Defence Minister, Sergei Shoigu is on the list.
- Targeting trade from the DPR and LPR to and from the EU.
- Preventing the Russian state and government from accessing European capital and financial markets and services, including through limiting the access of Russian sovereign debt to EU financial markets.

²¹⁴ Official Journal of the European Union, [L40, Vol.65](#), 21 February 2022

In line with allies, EU High Representative, Josep Borrell, confirmed the EU would also “raise the level of sanctions substantially, according with Russian behaviour”.²¹⁵

Further rounds of sanctions

Further sanctions followed on 25 and 28 February, in early March, early April and in early June 2022.²¹⁶ To supplement those sanctions packages, at the end of July the EU also adopted a “maintenance and alignment package” intended to tighten existing sanctions and “strengthen their effectiveness” by aligning further with allies.²¹⁷

An eighth package of sanctions measures was agreed on 6 October 2022, in response to Russia’s “illegal annexation” of Ukrainian territory.²¹⁸ This was followed by [a ninth package of sanctions](#) on 16 December 2022.

According to the European Commission, those sanctions are designed to:

- Cripple Kremlin’s ability to finance Russia’s military action
- Impose clear economic and political costs on Russia’s political elite responsible for invasion
- Diminish Russia’s economic base.²¹⁹

²¹⁵ EU External Action Service, [Press remarks by High Representative Josep Borrell](#), 22 February 2022

²¹⁶ Council of the European Union, [Press release](#), 25 February 2022; Council of the European Union, [Press release](#), 28 February 2022; Council of the European Union, [Press release](#), 9 March 2022, Council of the European Union, [Press release](#), 8 April 2022 and Council of the European Union, [Press release](#), 3 June 2022. The latter package of measures was initially presented by European Commission President, Ursula von der Leyen, on 4 May 2022 ([Speech to the European Parliament Plenary](#), 4 May 2022)

²¹⁷ Council of the European Union, [Press release](#), 21 July 2022

²¹⁸ Council of the European Union, [Press release](#), 6 October 2022

²¹⁹ European Commission, [EU sanctions against Russia: factsheet](#), 26 February 2022

At the time of writing, 1,386 individuals and 171 entities are subject to EU sanctions because their actions have undermined Ukraine's territorial integrity, sovereignty and independence.

[Council of the European Union](#), 16 December 2022

President Putin and Russian Foreign Minister Sergey Lavrov [have been placed on the sanctions list](#), along with the members of Russia's National Security Council and the members of the Russian Parliament not previously designated (see above) for their role in supporting Russia's recognition of the LPR and DPR.

[The EU has also amended the criteria for designation](#) to include individuals and companies supporting and benefitting from the Russian Government, providing a substantial source of revenue to it, and family members of listed individuals.

EU leaders have also agreed to place sanctions on Belarus for its role in facilitating Russian military aggression in Ukraine.

In early March the European Commission also established a Freeze and Seize Task Force, to ensure EU-level coordination to implement sanctions against listed Russian and Belarussian oligarchs. That task force also works alongside the Russian Elites, Proxies and Oligarchs (REPO) Task Force established by the US, EU, UK and other allies (see below).²²⁰

Banks, assets and financial markets

Existing sanctions, restricting Russian access to EU financial markets, were also expanded. Russian banks, including the Russian Central Bank, are prohibited from any form of lending and buying of securities. A full asset freeze was imposed on three leading Russian banks and the list of state-owned companies subject to sanctions has been extended into the defence sector. Russian individuals will also be restricted from depositing money in EU banks over a certain value.

On 2 March the EU also announced that the Russian Direct Investment Fund would be sanctioned and that the sale, supply, transfer or export of euro denominated banknotes to Russia would be prohibited.²²¹ That ban was extended to banknotes in any official currencies of the EU member states on 8 April 2022.²²²

On 9 March the EU confirmed that financial restrictions would also apply to "crypto assets" and thus "ensure the proper implementation of the sectoral restrictions in place".²²³

On 8 April the EU also announced a total asset freeze on four Russian banks: Okritie, VTB, Sovcombank and Novikombank,²²⁴ a general ban on the participation of Russian companies in public procurement in EU member states and the exclusion of all financial support to Russian public bodies.²²⁵

²²⁰ European Commission, [Press release](#), 17 March 2022

²²¹ EU Official Journal, [L63, Vol.65](#), 2 March 2022

²²² Council of the European Union, [Press release](#), 8 April 2022

²²³ Council of the European Union, [Press release](#), 9 March 2022

²²⁴ Official Journal of the European Union, [L110/55](#), 8 April 2022

²²⁵ Council of the European Union, [Press release](#), 8 April 2022

As part of its sixth sanctions package announced on 3 June, the EU confirmed that a further three banks: Sberbank, Credit Bank of Moscow and the Russian Agricultural Bank, would be cut off from the SWIFT international payments system.²²⁶

Ending Russia's Most Favoured Nation (MFN) trading status

On 15 March the European Commission announced that the EU, alongside G7 nations and other “like minded partners”, including Australia, Albania, Iceland, South Korea, Moldova, Montenegro, New Zealand, North Macedonia and Norway will end Russia's MFN status “as of today”.²²⁷

The EU said that such actions were “justified under the security exemptions of the WTO agreement”.²²⁸

Sector specific trade restrictions

The EU has introduced an export ban on specific goods and technologies related to the oil refining sector, the aviation and space industry and on dual-use goods and technologies related to the defence and security sector, including semi-conductors and cutting-edge technologies such as drones and associated software, and encryption software. It will also introduce restrictions on the provision of related services.²²⁹

On 9 March the EU added a [ban on the export of maritime navigation goods and radio communication technology](#) to Russia.²³⁰

On 15 March the EU announced that it would prohibit all transactions with certain state-owned enterprises, prohibit new investments in the Russian energy sector and place an export ban on equipment, technology and services for the energy industry. In concert with allies, further trade restrictions will also be introduced in relation to iron, steel and luxury goods.²³¹

On 8 April EU leaders agreed to place a ban on the purchase, import or transfer of coal and other solid fossil fuels into the EU if they originate in Russia or are exported from Russia. That ban came into effect in August 2022.²³²

A ban was also imposed in early April on the export to Russia of jet fuel, quantum computers and other advanced semiconductors, high end electronics, software, sensitive machinery and transportation equipment. Russian imports of wood, cement, fertilisers, seafood and liquor have also been prohibited and sanctions have been put in place on companies whose

²²⁶ Council of the European Union, [Press release](#), 3 June 2022

²²⁷ European Commission, [Statement by Executive Vice President Dombrovskis](#), 15 March 2022

²²⁸ European Commission, [Statement by Executive Vice President Dombrovskis](#), 15 March 2022

²²⁹ European Commission, [EU sanctions against Russia: factsheet](#), 26 February 2022

²³⁰ Council of the European Union, [Press release](#), 9 March 2022

²³¹ [Official Journal of the European Union, L87 I](#), Vol.65, 15 March 2022

²³² Council of the European Union, [Press release](#), 8 April 2022

products or technology have played a role in the invasion of Ukraine, including Yantar shipyard, and PO More Shipyard.²³³

On 3 June 2022 the EU also agreed to a phased ban on the purchase, import or transfer of Russian- crude oil and certain petroleum products, within a six to eight-month timeframe. There will, however, be a temporary exception for imports of crude oil by pipeline for those landlocked countries, including Hungary, which rely on Russian supplies and have no viable alternative options. Bulgaria and Croatia will also benefit from a temporary derogation concerning the import of Russian seaborne crude oil and vacuum gas oil.²³⁴ As outlined above, the EU also committed to working with the G7 countries toward the implementation of a price cap on oil imports by 5 December 2022.

As part of the sanctions package agreed on 6 October 2022, the EU introduced the necessary legislation to implement those price cap measures.²³⁵

Provision of consulting services

In line with restrictions already imposed by the UK and the US (see above), on 3 June the EU confirmed that a prohibition will be placed on the provision of accounting, public relations, consultancy and cloud services, to Russia.²³⁶

Visas

Visa free travel for Russia diplomats has been stopped and Russian officials and businesspeople will no longer benefit from visa facilitation provisions, allowing privileged access to the EU.

On 9 September 2022 the EU Council of Ministers also agreed to suspend the visa facilitation agreement between the EU and Russia. All Russian citizens will now be subject to an increase in visa application fees, will be required to present additional documentary evidence and will be subject to more restrictive rules on the issuance of multiple entry visas.²³⁷

Russian aircraft, shipping and road transport

On 27 February 2022 European Commission President, Ursula von der Leyen, announced that all Russian aircraft would be [banned from EU airspace](#), including those of Russian oligarchs.

On 8 April, and in line with prohibitions already introduced in the UK, vessels registered under the flag of Russia will be prevented from accessing EU ports. Some exemptions will exist for vessels carrying agricultural and food products, humanitarian aid and energy products.

²³³ Council of the European Union, [Press release](#), 8 April 2022 and Official Journal of the European Union, [L110/55](#), 8 April 2022

²³⁴ Council of the European Union, [Press release](#), 3 June 2022

²³⁵ Council of the European Union, [Press release](#), 6 October 2022

²³⁶ Council of the European Union, [Press release](#), 3 June 2022

²³⁷ Council of the European Union, [Press release](#), 9 September 2022

The EU also announced a ban on any Russian or Belarusian road transport, thereby preventing the transportation of Russian goods by road within the EU. Exemptions have been made for certain items, such as humanitarian aid, pharmaceutical and medical products.²³⁸

Russian media

Various state-owned media including RT and Sputnik have been banned from the EU, effective as of 2 March 2022.

On 3 June the EU also announced that three additional Russian state-owned media outlets: Rossiya RTR, Rossiya 24/Russia 24 and TV Centre International would also be prohibited from broadcasting in the EU in response to their use by the Russian Government to “manipulate information and promote disinformation about the invasion of Ukraine, including propaganda, with the aim to destabilise Russia’s neighbouring countries and the EU and its member states”.²³⁹

Individual sanctions against oligarchs, propagandists and Putin’s inner circle

EU High Representative, Josep Borrell, has indicated there would be further listings against Russian individuals and “the elite of Putin’s regime that benefit financially from the system”.²⁴⁰

A further 26 individuals and one entity were added to the EU’s sanctions regime on 28 February from the oil, banking and finance sectors, the government, and the Russian military. Among the individuals listed is Igor Sechin, CEO of Rosneft; Nikolay Tokarev, CEO of Transneft; Dmitry Peskov, President Putin’s Press Secretary and Alisher Usmanov.

On 9 March 2022 the EU confirmed that a further 160 individuals had been sanctioned. Among them are 14 Russian oligarchs and 146 members of the Russian Federation Council who ratified the treaties of friendship, cooperation and mutual assistance between Russia and the DPR and LPR in February 2022.

A further 15 individuals were designated by the EU on 15 March, including Roman Abramovich, who had already been sanctioned by the UK. Other designated individuals included prominent businesspeople from the iron and steel, energy and military sectors and several lobbyists and those accused of spreading propaganda.²⁴¹

On 8 April the EU announced sanctions against “key oligarchs and businesspeople, high ranking Kremlin officials, proponents of disinformation

²³⁸ Council of the European Union, [Press release](#), 8 April 2022

²³⁹ Council of the European Union, [Press release](#), 3 June 2022

²⁴⁰ EU External Action Service, [Press statement by EU High Representative](#), 27 February 2022

²⁴¹ [Official Journal of the European Union, L87 I](#), Vol.65, 15 March 2022

and information manipulation”.²⁴² Among them are billionaire Oleg Deripaska, already sanctioned by the UK; Vladimir Sungorkin, Editor in Chief of Russian newspaper Komsomolskaya Pravda; Sergey Mikhailov, Director General of the Russian news agency TASS, and Oleg Dobrodeev, Director General of the Russian State Television and Radio Broadcasting Company, Russia’s largest state media holding.

Several family members of already sanctioned individuals have also been designated to “make sure that EU sanctions are not circumvented”. Among them are Elena Timchenko, wife of billionaire Gennady Timchenko, and President Putin’s two daughters.²⁴³

On 21 April 2022, the EU also sanctioned Yevgeniy Prigozhin, the founder and unofficial head of the Wagner Group.²⁴⁴

As part of its sixth sanctions package in June 2022, the EU made additional sanctions designations on 3 June targeting 65 individuals and 18 entities. Among those designated are individuals determined to be responsible for atrocities committed by Russian troops in Bucha and Mariupol, including General Mikhail Mizintsev and Colonel Omurbekov who are already sanctioned by the UK (see above), Russian personalities supporting the war, leading businesspeople, kremlin officials and family members of already designated oligarchs.²⁴⁵ Alina Kabaeva, President Putin’s alleged partner is among those listed.

Maintenance and alignment package

On 21 July 2022, the EU adopted a number of additional measures intended to tighten the existing sanctions regime and strengthen its effectiveness by aligning further with G7 allies. Although not termed a seventh package of sanctions, the measures introduce some significant changes.²⁴⁶

Ban on gold imports

The EU has introduced a ban on the purchase, import, or transfer to third countries of gold originating in Russia. The prohibition will also extend to jewellery.

Dual use items and advanced technology

The list of controlled items that contribute to Russia’s “military and technological enhancement” or the development of its defence and security

²⁴² Council of the European Union, [Press release](#), 8 April 2022

²⁴³ Official Journal of the European Union, [L110/55](#), 8 April 2022

²⁴⁴ Council of the European Union, [Press release](#), 21 April 2022

²⁴⁵ Official Journal of the European Union, [L153/15](#), 3 June 2022

²⁴⁶ Council of the European Union, [Press release](#), 21 July 2022

sector, has been expanded. The intention is to reinforce export controls related to dual-use items and advanced technologies.

Energy and food security – exemptions

To avoid any “potential negative consequences for food and energy security around the world” the EU will extend sanctions exemptions to agricultural products from certain state-owned Russian entities and the transport of oil from Russia to third countries.²⁴⁷

The EU also clarified that none of the measures it has adopted so far target the trade in agricultural and food products, including wheat and fertilisers, between third countries and Russia.

Designation of additional individuals and entities

Furthermore, the EU has imposed restrictions on an additional 54 individuals and 10 entities.²⁴⁸

Individuals subject to sanctions include members of the Nightwolves Motorcycle Club, which has close ties to President Putin, members of the State and provincial Dumas, the Mayor of Moscow, high ranking military officials, propagandists and politicians installed in Russian-controlled areas of Ukraine, including Konstantin Ivashchenko, the Russian-installed Mayor of Mariupol. Ivashchenko was also designated by the US at the end of July 2022.

One of Russia’s largest banks, Sberbank was also designated. Sberbank has already been cut off from the SWIFT international payment system (see above). Other sanctioned entities include companies implicated in the stealing of Ukrainian grain, the Nightwolves club and the All-Russia “Young Army” Military Patriotic Social Movement.

In tandem with the UK, the EU also sanctioned several individuals for their role in the recruitment of Syrian mercenaries to fight in Ukraine alongside Russian troops.

On 4 August the EU also added former Ukrainian President Viktor Yanukovich and his son, Olexsandr, to the sanctions list for their role in undermining Ukraine’s territorial integrity and stability. Olexsandr Yanukovich is also accused of conducting transactions with separatist groups in the Donbas.²⁴⁹

²⁴⁷ Council of the European Union, [Press release](#), 21 July 2022

²⁴⁸ Official Journal, [L193, Vol.65 \(PDF\)](#), 21 July 2022 and Council of the European Union, [Press release](#), 22 July 2022

²⁴⁹ Council of the European Union, [Press release](#), 4 August 2022

Response to Russian annexation

On 6 October the EU adopted its eighth package of sanctions against Russia, and specifically in response to the annexation of Donetsk, Luhansk, Kherson and Zaporizhzhia.²⁵⁰

Import bans

Steel products that originate in, or have been exported from, Russia will be banned. Additional goods will be subject to an import ban including wood pulp and paper, cigarettes, plastics, cosmetics, vehicles, textiles, footwear, leather, ceramics and certain items relating to the jewellery industry such as precious stones and metals.

Export bans

The export of additional goods used in the aviation sector will be restricted.

The list of restricted items relating to Russia's defence and security sector, and its technological enhancement more generally, has been expanded to include certain electronic components such as semiconductors and additional chemicals and goods that can be used for capital punishment, torture or cruel and degrading treatment.

There will also be a ban on the export of civilian firearms and their components and ammunition, military vehicles and equipment, paramilitary equipment and spare parts.

Post holders in Russian state-owned or controlled organisations

The EU has also announced a ban on EU nationals holding any post on the governing body of a Russian state-owned or controlled organisation or body.

Crypto assets

A full ban will be implemented on the provision of crypto-asset wallet, account or custody services to any Russian citizen and resident, regardless of the value of those crypto-assets.

Provision of services

In line with allies, the provision of architectural and engineering services, IT consultancy and legal advisory services will be prohibited.

Further sanctions designations

In this latest package a further 30 individuals and 7 entities have been designated, including:

²⁵⁰ Council of the European Union, [Press release](#), 6 October 2022 and European Commission, [Frequently asked questions](#), 6 October 2022

- Individuals accused of spreading disinformation about the war in Ukraine.
- Individuals and entities that played a role in the organisation of the referendums, including the Russian-installed authorities in Kherson and Zaporizhzhia.
- Representatives in the Russian defence sector.

Sanctions evasion

The EU also agreed to broaden the criteria on which sanctions designations can be based, to include those individuals or entities that facilitate the evasion of EU sanctions.

Expansion to the non-Government controlled areas in Kherson and Zaporizhzhia

At the outset of the conflict the EU extended its sanction regime to the non-Government controlled regions of the Donetsk People's Republic and the Luhansk People's Republic (see above). This latest package of sanctions expands the geographical scope of trade restrictions to include the non-Government controlled areas within Kherson and Zaporizhzhia. Imports to the EU of goods originating in those areas will now be prohibited, along with trade in goods and technology associated with the transport, telecommunications, energy and the exploration and production of oil, gas and mineral resources. Exemptions could be made with respect to ensuring the security and safety of the Zaporizhzhia nuclear power plant.²⁵¹

A ninth package of sanctions

On 7 December 2022, EU Commission President, Ursula von der Leyen, announced proposals for a ninth package of EU sanctions against Russia. Those measures were adopted by the Council of Ministers and [approved by the European Council](#) (PDF) on 16 December 2022.

Among the latest measures are:

- The designation of almost 200 Russian individuals and entities linked to Russia's campaign of deliberate missile strikes against civilians, the kidnapping of Ukrainian children to Russia, the spreading of disinformation and the theft of Ukrainian agricultural products. Listed individuals include members of the Russian armed forces, members of the State Duma and Federation Council, Russian ministers, regional governors, family members of sanctioned individuals and several popular public figures.
- The introduction of sanctions against three additional Russian banks, including the Russian Regional Development Bank.
- The imposition of new export controls and restrictions on dual-use goods, including key chemicals, nerve agents, night vision and radio navigation equipment, electronics and IT components. To avoid the

²⁵¹ European Commission, [Frequently asked questions](#), 6 October 2022

circumvention of sanctions, some Russian-controlled entities in Crimea and Sevastopol have also been designated.

- Expansion of the export ban on aviation and space industry related goods and technology to include aircraft engines and their parts. This will effectively prohibit the export of drone engines to Russia and any third countries, such as Iran, that could supply drones to Russia.
- Suspension of the broadcasting licences of a further four Russian media channels: NTV/NTV Mir, Rossiya 1, REN TV and Pervyi Kanal.
- Further economic measures against Russia's energy and mining sectors, including a ban on new mining investment in Russia.²⁵²
- A ban will be introduced on the provision to Russia of EU advertising, market research and public opinion polling services, in addition to product testing and technical inspection services.²⁵³

Announcing the latest package of sanctions, EU Ministers reiterated that “none of the measures adopted [...] target in any way the trade in agricultural and food products, including wheat and fertilisers, between third countries and Russia”. However, to combat food insecurity and avoid disruption in payments for agricultural products, the EU announced a derogation allowing for the unfreezing of assets, and to make funds and economic resources available to, certain sanctioned individuals who held a significant role in the international trade in food and agricultural products prior to their listing.²⁵⁴

Ending the EU's long-term reliance on Russian gas

In order to reduce its energy dependence on Russia, on 8 March 2022 the EU announced a plan, [REPowerEU](#), that will provide more affordable, secure and sustainable energy by 2030.

In the immediate term the plan will address the diversification of gas supplies to Europe and “reduce EU demand for Russian gas by two thirds before the end of the year”.²⁵⁵

In setting out the plan, European Commission President Ursula von der Leyen said: “We must become independent from Russian oil, coal and gas. We simply cannot rely on a supplier who explicitly threatens us”.²⁵⁶

Russia's response

In response to Western sanctions, Russia has threatened to cut off gas supplies to Europe. After initially cutting the capacity of the Nord Stream 1 pipeline to 20%, citing ongoing maintenance and technical issues, in early September operating company Gazprom shut the pipeline indefinitely,

²⁵² European Commission, [Press statement](#), 7 December 2022

²⁵³ EU Council of Ministers, [Press release](#), 16 December 2022

²⁵⁴ EU Council of Ministers, [Press release](#), 16 December 2022

²⁵⁵ European Commission, [Press release](#), 8 March 2022

²⁵⁶ European Commission, [Press release](#), 8 March 2022

blaming Western-led sanctions against Russia.²⁵⁷ This follows earlier moves by Russia to cut off or reduce supplies to 12 EU countries following their refusal to pay for Russian gas in roubles.²⁵⁸ In response to the G7 plan to implement a price cap on Russian oil and a subsequent suggestion by the EU Commission President, Ursula von der Leyen, to impose a price cap on Russian gas, President Putin has said that Russia would halt all energy supplies completely.²⁵⁹

Special economic measures have also been introduced by the Kremlin to ban the export of certain commodities and raw materials to a list of designated countries, including the UK, US and EU. An export ban is now in place until the end of 2022 on telecoms, medical, vehicle, agricultural and electrical equipment and timber. The ban also includes exports of goods made by foreign companies in Russia, including cars, railway carriages and containers.²⁶⁰

Military assistance

In February 2022, the EU announced that, for the first time in its history, it would [finance the purchase and delivery of lethal military equipment](#) to a third country.²⁶¹

The provision of EU military assistance to Ukraine is examined in greater detail in House of Commons Library, [Military assistance to Ukraine since the Russian invasion](#).

9 Relevant links

- European Commission, [Sanctions adopted following Russia's military aggression against Ukraine](#)
- Council of the European Union, [EU restrictive measures in response to the crisis in Ukraine](#)
- The lists of Russian individuals subject to EU sanctions are available in the [EU's Official Journal](#).

²⁵⁷ The Guardian, "[Russia will not resume gas supplies to Europe until sanctions lifted, says Moscow](#)", 5 September 2022

²⁵⁸ EU Observer, "[Russia cuts Nord Stream 1 gas to 20% capacity](#)", 28 July 2022 and BBC News, "[Gazprom: Nord Stream 1 supply to EU to be cut further](#)", 25 July 2022

²⁵⁹ BBC News, "[EU plans Russian gas price cap despite Putin threat](#)", 7 September 2022

²⁶⁰ BBC News, "[Russia hits back at Western sanctions with export bans](#)", 10 March 2022

²⁶¹ Council of the European Union, [Press release](#), 28 February 2022.

4.3

Other countries

Western-led sanctions have been supported around the globe by numerous allies and partners. However, there have also been some notable exceptions, including China, India, Iran, the United Arab Emirates, Israel and Saudi Arabia.²⁶² Turkey, which is a NATO Member State, and Serbia, which is an EU candidate country, have also refused to implement sanctions.²⁶³

Other countries of the G7

At the outset of the current crisis, the countries of the G7 made clear they would act collectively on the imposition of sanctions against Russia.²⁶⁴

Canada

In concert with the EU, US and UK, Canada has had sanctions in place against Russia since 2014. Additional sanctions measures have also been introduced for human rights violations by the Russian state.

In response to the current crisis, further measures have been introduced by the Canadian government since 24 February 2022, including:²⁶⁵

- Sanctions against 351 members of the Russian Duma.
- Prohibitions on Russian sovereign debt.
- Sanctions against leading Russian financial institutions, including Sberbank, VTB, the Russian Direct Investment Fund.
- Sanctions against companies in the defence, maritime, transport and energy sectors including Rostec, the United Aircraft Corporation, Gazprom, Transneft and the Zelenodolsk Shipyard.
- A ban on trade with the LPR and DPR.
- Sanctions against members of Russia's Security Council, including President Putin, Russian Foreign Minister Sergei Lavrov and Defence Minister Sergei Shoigu.
- Restrictions against the Russian Central Bank, the Russian Ministry of Finance and the National Wealth Fund.
- Restrictions on exports and imports such as luxury goods.
- Sanctions against oligarchs, close associates of the regime and some family members.
- Closing Canadian airspace to all Russian-owned, chartered or operated aircraft.²⁶⁶

At the time of writing, 1,122 individuals and 270 entities are subject to Canadian sanctions under its [Special Economic Measures \(Russia\) Regulations](#).

²⁶² See Middle East Institute, [“The divided regional response to Russia’s invasion”](#), 28 February 2022 and Washington Examiner, [“Which countries have decided not to sanction Russia?”](#), 3 March 2022

²⁶³ Politico, [“Pandering to Putin comes back to bite Serbia’s Vučić”](#), 7 March 2022; TASS, [“Turkey will not join sanctions against Russia- Erdogan”](#), 25 March 2022 and CNBC, [“Russian oligarchs are welcome in Turkey, Foreign Minister says”](#), 26 March 2022

²⁶⁴ German Federal Foreign Office, [G7 Foreign Minister’s statement on Russia and Ukraine](#), 19 February 2022

²⁶⁵ Government of Canada, [Sanctions – Russian invasion of Ukraine](#)

²⁶⁶ Transport Canada, [News release](#), 27 February 2022

- A ban on crude oil imports.²⁶⁷ As a G7 country Canada also supports the implementation of a price cap on imports of Russian crude oil to third countries.²⁶⁸
- A prohibition on any ship that is registered in Russia, or is used, leased or chartered by, or on behalf of, Russia, or has benefit for Russia, from docking in Canada or passing through Canadian territorial waters.²⁶⁹
- Sanctions against 160 members of the Russian Federation Council.²⁷⁰
- A prohibition on services vital to the operation of Russia's oil, gas and chemical industries, was introduced on 7 June 2022. In early July sanctions were extended to include industrial manufacturing linked to these sectors.
- Sanctions against entities and individuals deemed responsible for spreading disinformation and propaganda were announced on 8 July 2022, including Russian TV channels Channel One and Rossiya 24, RT (formerly Russia Today), news agency TASS and Russian Foreign Ministry Spokesperson Maria Zakharova. Further designations were made on 14 October 2022.
- In line with allies, Canada has prohibited the import of gold, which came into effect on 8 July.
- Sanctions against Russian-backed proxies in Ukraine, including Galina Dalinchenko, the Russian-installed Mayor of Melitopol.
- Sanctions against military officials for the actions of Russian forces in Ukraine, including in Bucha.
- In response to the Russian-backed referendums, on 29 September 2022 Canada listed a further 35 individuals for their role in the enabling and supporting the referendums, along with the Kherson-based Salvation Committee for Peace and Order. A further 43 oligarchs and close associates of the Putin regime have also been designated.
- In line with allies, on 9 December 2022 Canada also designated the Central Election Commission and Federal Penitentiary Service for human rights violations. In addition, Canada also designated the Ministry of Internal Affairs, the Ministry of Justice, the Investigative Committee of the Russian Federation and the Federal Agency for Ethnic Affairs.

Canadian sanctions have also been imposed against Belarus for its role in the Russian invasion of Ukraine.

On 3 March 2022 Canada also stripped Russia, and Belarus, of their status as preferential trading partners. A 35% tariff is now applied to all Russian and Belarusian imports.²⁷¹ The remaining G7 nations, along with the EU and other partners announced this step on 11 March.

²⁶⁷ Canada has not, however, imported any crude oil from Russia since 2019. Natural Resources Canada, [News release](#), 28 February 2022

²⁶⁸ [G7 statement of Finance Ministers](#), 2 September 2022

²⁶⁹ Global Affairs Canada, [Canadian sanctions related to Russia](#) (accessed 8 March 2022)

²⁷⁰ Effective as of 24 March 2022, [Government of Canada, Sanctions – Russian invasion of Ukraine](#)

²⁷¹ Department of Finance Canada, [News release](#), 3 March 2022

Japan

In line with the other G7 countries, Japan has introduced the following sanctions measures:²⁷²

- Officials from the LPR and DPR will be subject to a travel ban and asset freeze.
- Trade with the LPR and DPR is prohibited.
- A prohibition on Russian sovereign debt in Japanese financial markets.
- An asset freeze and travel ban on key Russian officials, including President Putin, Sergei Lavrov and Sergei Shoigu. Like the US, Japan has also sanctioned Russian Chief of the General Staff Valery Gerasimov. On 5 July Japan sanctioned the Russian Deputy Prime Minister, Dmitry Grigorenko.
- Restrictions on the Russian Central Bank.
- An asset freeze of key Russian financial institutions, including VTB, Sovcombank, Novikombank, Otkritie, Credit Bank of Moscow and Russian Agricultural Bank.
- Export restrictions on semiconductors, computers and any goods destined for military organisations in Russia and sanctions against several defence-related companies including Rostec and Rosoboronexport.
- Sanctions against several Russian oligarchs and family members. Among those individuals is Andrey Kostin, President of VTB Bank, who has been on the US sanctions list since 2018.²⁷³ Further designations were made on 8 March 2022, including several executives linked to the Wagner group and organisations such as Transneft;²⁷⁴ on 15 March, including billionaire Viktor Vekselberg²⁷⁵ and again on 25 March.²⁷⁶
- An export ban on oil refining equipment.²⁷⁷
- On 28 March the Japanese government confirmed that it would revise its foreign exchange laws to prevent Russia from evading sanctions through the use of cryptocurrencies.²⁷⁸
- On 29 March Japan announced export bans to Russia on alcohol and tobacco products, perfumes, leather goods and furs, clothing and jewellery, antiques, works of art, gold and banknotes.²⁷⁹ Further export bans relate to wood products, electrical machinery and vehicles.²⁸⁰
- In line with allies, Japan has also imposed a ban on the provision of trust, accounting, auditing and management consultancy services,

²⁷² Ashurst, [Sanctions tracker Japan](#) (accessed 11 October 2022)

²⁷³ Baker McKenzie, [Sanctions and export controls blog](#) (accessed 8 March 2022)

²⁷⁴ Kyodo News, [“Japan imposes more sanctions on Russia, Belarus over Ukraine invasion”](#), 8 March 2022

²⁷⁵ Kyiv Independent, “Japan freezes assets of additional 1 Russian

²⁷⁶ Baker McKenzie, [Sanctions and export controls blog](#) (accessed 30 March 2022)

²⁷⁷ Kyodo News, [“Japan imposes more sanctions on Russia, Belarus over Ukraine invasion”](#), 8 March 2022

²⁷⁸ Reuters, [“Japan to revise foreign exchange law”](#), 28 March 2022

²⁷⁹ Baker McKenzie, [Sanctions and export controls blog](#) (accessed 13 April 2022)

²⁸⁰ Baker McKenzie, [Sanctions and export controls blog](#), 20 June 2022

unless a license is obtained from the Japanese government. That prohibition came into effect in early July 2022.

- In early July Japan imposed a ban on gold imports of Russian origin.
- At the end of September an export ban on any goods related to chemical weapons was imposed (effective as of 7 October 2022). [21 Russian state-owned entities](#) (PDF) have also been designated and are now subject to an export ban.

Japan has also imposed sanctions on Belarus for its role in the Russian invasion of Ukraine, including on President Alexandr Lukashenko.²⁸¹

Japan has not closed its airspace to Russian commercial aircraft, although the Government has said it will “continue to examine the situation and “take appropriate measures”.²⁸²

In line with other G7 allies, Japan has revoked Russia’s Most Favoured Nation trading status and supports the implementation of a price cap on imports of Russian crude oil to third countries.²⁸³

10 Relevant links

- Government of Canada, [Canada’s response to the Russian invasion of Ukraine](#)
- Government of Canada, [Sanctions – Russian invasion of Ukraine](#)
- Government of Canada, [Consolidated Canadian autonomous sanctions list](#)
- Japanese Ministry of Finance, [Economic sanctions: Ukraine list \(PDF\)](#), correct as of 7 October 2022

²⁸¹ Baker McKenzie, [Sanctions and export controls blog](#) (accessed 8 March 2022)

²⁸² Kyodo News, “[Japan to freeze assets of 4 more Russian banks to align with EU](#)”, 3 March 2022

²⁸³ [G7 statement of Finance Ministers](#), 2 September 2022

Other Western allies and partners

Australia

At the time of writing, Australia has imposed sanctions on 843 individuals and 62 entities.

Australian Government, [Invasion of Ukraine by Russia](#)

Australian sanctions were first imposed against Russia in 2014 and extended again in 2015.

In response to Russia's invasion of Ukraine, in February 2022 the Australian government announced a raft of additional measures, in support of Western sanctions:

- The prohibitions already in place on [trade with Crimea and Sevastopol](#) will be extended to the LPR and DPR.
- Restrictions have been placed on several Russian financial institutions, including Rossiya Bank, Promsvyazbank, IS Bank, Genbank and the Black Sea Bank for Development and Reconstruction and VEB.
- Financial sanctions have been placed on the Russian Central Bank.
- Sanctions and travel bans have been placed on eight members of Russia's National Security Council, including President Putin, Sergei Lavrov, Sergei Shoigu, and Russian Prime Minister Mikhail Mishustin.
- Financial restrictions have been placed on several defence related companies and those involved in the sale or transport of crude oil or petroleum products.
- The criteria for designating individuals and entities has been expanded to include "those of strategic and economic significance to Russia".²⁸⁴

Announcing the first round of additional sanctions on 23 February 2022, the then Foreign Minister, Marise Payne, said "In taking these actions, we are in alignment with our key partners, the United States and the United Kingdom" and that this was "the beginning of our sanctions process".²⁸⁵ On the sanctioning of President Putin, she said "It is exceedingly rare to designate a head of state, and reflects the depth of our concerns".²⁸⁶

On 8 March the Australian Government announced that further sanctions designations would be made, targeting "propagandists and purveyors of disinformation".²⁸⁷ This round of sanctions targeted the Russian armed forces, including six senior Russian military commanders responsible for the conduct of the campaign in Ukraine, Dmitry Peskov, President Putin's Press Secretary and Maria Zakharova, Spokesperson for the Russian Foreign Ministry.²⁸⁸

On 11 March Australia also announced that it would be introducing a ban on the import of Russian oil, refined petroleum products, natural gas, coal and other energy products. That ban came into force on 25 April 2022.²⁸⁹ An export

²⁸⁴ Australian Ministry of Foreign Affairs, [Media release](#), 23 February 2022

²⁸⁵ Australian Ministry of Foreign Affairs, [Media release](#), 23 February 2022

²⁸⁶ Australian Ministry of Foreign Affairs, [Media release](#), 28 February 2022

²⁸⁷ Australian Ministry of Foreign Affairs, [Media release](#), 8 March 2022

²⁸⁸ Australian Government, [Sanctions: Consolidated List](#) (accessed 8 March 2022)

²⁸⁹ Australian Department of Foreign Affairs and Trade, [Press release](#), 11 March 2022

ban on aluminium ores, including bauxite and related products was also announced on 19 March 2022.²⁹⁰

On 18 March the Government announced that 11 additional Russian banks, including Sberbank and VTB, and government entities, including the Russian Ministry of Finance, had been sanctioned. Following these designations, the majority of Russia's banking sector and government entities responsible for issuing and managing Russia's sovereign debt are now covered by Australia's sanctions regime.²⁹¹ Two oligarchs with links to business interests in Australia, Oleg Deripaska and Viktor Vekselberg, were also sanctioned.²⁹²

A further 22 individuals have since been sanctioned as propagandists and for spreading disinformation. Senior editors from various pro-Kremlin news outlets, including RT (formerly Russia Today), the Strategic Culture Foundation, InfoRos and NewsFront. By the end of March 2022, Australia had sanctioned 32 propagandists "reflecting the strategic importance of disinformation in Russia's attempts to legitimise Putin's unprovoked and illegal invasion of Ukraine".²⁹³

On 5 April the Government announced a ban on the export of luxury goods to Russia, including wine, high value cosmetics and parts for luxury vehicles.²⁹⁴

A further 67 individuals were sanctioned on 7 April for their role in Russia's invasion of Ukraine and following "the emergence of evidence of war crimes committed by Russia in Bucha and other towns around Kyiv". Among those sanctioned is General Mikhail Mizintsev, who is also subject to UK sanctions.²⁹⁵

Sanctions on various family members of President Putin and Foreign Minister Sergey Lavrov were announced on 22 April 2022, along with the designation of 144 Russian Senators that supported recognition of the LPR and DPR in February 2022.²⁹⁶

Further listings related to members of the Russian Duma and senior officials of the LPR and DPR were made on 4 May 2022.²⁹⁷

On 18 May 2022 the Australian government sanctioned the Wagner Group, which it stated was "supporting Russian-backed separatists in the so-called People's Republics of Donetsk and Luhansk in clear violation of Ukraine's sovereignty and territorial integrity".²⁹⁸ It also listed the Russian Imperial Movement, which it has identified as an ultra-nationalist group known for its

²⁹⁰ Australian Government, [Autonomous sanctions \(Export sanctioned goods – Russia\) Designation 2022](#)

²⁹¹ Australian Ministry of Foreign Affairs, [Media release](#), 18 March 2022

²⁹² Australian Ministry of Foreign Affairs, [Media release](#), 18 March 2022

²⁹³ Australian Ministry of Foreign Affairs, [Press release](#), 25 March 2022

²⁹⁴ Australian Ministry of Foreign Affairs, [Press release](#), 5 April 2022

²⁹⁵ Australian Ministry of Foreign Affairs, [Press release](#), 7 April 2022

²⁹⁶ Australian Ministry of Foreign Affairs, [Press release](#), 22 April 2022

²⁹⁷ Australian Ministry of Foreign Affairs, [Press release](#), 4 May 2022

²⁹⁸ Australian Ministry of Foreign Affairs, [Press release](#), 18 May 2022

anti-Semitic, anti-LGBTQI and anti-Ukrainian views and which has reportedly sent foreign fighters to join Russian separatists in Ukraine.²⁹⁹

In late June/ early July the Government announced that further Russian Government officials, members of President Putin's family, including alleged partner Alina Kabaeva, and several additional oligarchs would be subject to sanctions.³⁰⁰ The Government has also imposed a prohibition on Russian gold imports (effective as of 30 September 2022), in line with measures implemented by the US, Canada, Japan, and the UK.³⁰¹

The Australian government also announced at the end of October 2022 that Export Finance Australia would be prohibited from extending any loans, or other financial assistance, that supports trade with, or investment in, Russia and Belarus.³⁰²

Most favoured nation status

In line with G7 countries, Australia announced on 31 March 2022 that it would withdraw most favoured nation status from Russia and Belarus. Effective as of 25 April 2022, an additional 35% tariff will be applied to all imports from Russia and Belarus.³⁰³ That measure was extended for a further 12 months on 20 October 2022.³⁰⁴

New Zealand

On 7 March 2022 the New Zealand Prime Minister, Jacinda Ardern, announced that the Government would introduce legislation to allow it to bring "first of its kind" autonomous sanctions against Russia.

Such measures will provide the ability to freeze the assets of Russian individuals and entities in New Zealand, prevent people and companies from moving their assets to New Zealand to escape sanctions regimes imposed elsewhere, and to stop Russian-linked aircraft and vessels from entering New Zealand airspace and territorial waters.³⁰⁵ The legislation also allows sanctions to be imposed "against other states complicit with Russia's illegal actions, such as Belarus".³⁰⁶

Previously New Zealand could only implement sanctions imposed by the UN Security Council. The Prime Minister said the limitations of the current

²⁹⁹ Australian Ministry of Foreign Affairs, [Press release](#), 18 May 2022

³⁰⁰ Australian Government, [Federal Register of Legislation](#), 28 June 2022 and Prime Minister of Australia, [Press release](#), 4 July 2022

³⁰¹ Prime Minister of Australia, [Press release](#), 4 July 2022

³⁰² Australian Ministry of Foreign Affairs, [Press release](#), 20 October 2022

³⁰³ Australian Ministry of Foreign Affairs, [Press release](#), 31 March 2022

³⁰⁴ Australian Ministry of Foreign Affairs, [Press release](#), 20 October 2022

³⁰⁵ New Zealand Government, [Press release](#), 7 March 2022

³⁰⁶ New Zealand Government, [Press release](#), 7 March 2022

multilateral system, specifically Russia's UN Security Council veto, necessitated the introduction of legislation.³⁰⁷

That [legislation was passed on 9 March 2022](#) and the [first sanctions were approved on 17 March 2022](#).

To date, New Zealand has imposed sanctions on:

- Over 500 Russian officials, military figures, oligarchs and proxies, including President Putin, permanent members of the Russian Security Council, members of the State Duma and Federation Council, those engaging in disinformation and propaganda and individuals supporting Russia's occupation of Ukraine.
- Russia's defence industrial complex and key state-owned enterprises that are providing revenue to Russia.
- Key banks and financial institutions.

New Zealand has also banned Russian aircraft and shipping from entering New Zealand, imposed export bans on goods connected to strategic Russian industries and revoked Russia's MFN status, thereby applying a 35% tariff on all products of Russian origin.³⁰⁸ In late July 2022 a prohibition on the import of Russian gold came into force.

On 11 October a new series of trade measures were announced, which entered into force on 4 November:

- Import tariffs will be extended until 2025.
- The list of prohibited exports will be expanded and include goods for oil exploration and production.
- The import and export of luxury goods to Russia will be banned.
- The import of Russian-origin energy products will be prohibited.³⁰⁹

The Government also announced that all remaining members of Russia's Parliament, 51 oligarchs and close associates of the Kremlin, and 24 individuals supporting Russia's occupation of Ukraine, would also be sanctioned.³¹⁰ Further individual sanctions designations were announced on 31 October and 21 November.

In December 2022 further designations were made with respect to countering disinformation. In line with the US, UK and the EU, New Zealand also designated three Iranian individuals and Shahed Aviation Industries for their role in the production and supply of UAV to Russia.³¹¹

³⁰⁷ New Zealand Government, [Press release](#), 7 March 2022

³⁰⁸ New Zealand Ministry of Foreign Affairs and Trade, [Russian sanctions](#) (accessed 12 July 2022)

³⁰⁹ New Zealand Ministry of Foreign Affairs and Trade, [Latest updates](#), 11 October 2022

³¹⁰ New Zealand Ministry of Foreign Affairs and Trade, [Latest updates](#), 11 October 2022

³¹¹ New Zealand Ministry of Foreign Affairs and Trade, [Latest updates](#), 14 December 2022

11 Relevant links

- Australian Government, [Invasion of Ukraine by Russia](#)
- Australian Government, [Russia sanctions regime](#)
- Australian Government, [Sanctions: Consolidated list](#)
- New Zealand Foreign Affairs and Trade, [Russian sanctions](#)
- New Zealand Government, [Russia sanctions register](#)

4.4

Transatlantic Task Force on sanctions (REPO)

In a [26 February Joint Statement](#), allies agreed to establish a transatlantic task force to ensure the effective implementation of sanctions. It will identify and freeze the assets of sanctioned individuals and companies, within respective jurisdictions. The task force will also work with other Governments to ensure assets are not hidden in jurisdictions across the world.

The inaugural meeting of the Russian Elites Proxies and Oligarchs (REPO) Task Force took place on 16 March.³¹²

In a [Joint Statement](#) issued on 29 June 2022, the Task Force said that it had succeeded, so far, in blocking or freezing more than \$30 billion of sanctioned Russians' assets, freezing or seizing sanctioned persons' high-value goods, and heavily restricting sanctioned Russians' access to the international financial system. In addition, approximately \$300 billion of Russian Central Bank assets have been "immobilised".³¹³

That statement went on to confirm that allies are "are undertaking efforts to update or expand and implement their respective legal frameworks that enable the freezing, seizure, forfeiture and/or disposal of assets, for example within criminal law" in an effort to better position members to achieve REPO's objectives. The [United States](#), [the EU](#) and [Canada](#) have recently brought forward proposals to enable the seizing of Russian assets and the potential use of proceeds in the reconstruction of Ukraine.

4.5

A halt to Nord Stream 2

Nord Stream 2 (NS2) is a natural gas pipeline that directly connects Russia to Germany, via the Baltic Sea. It was launched in 2015 by Nord Stream 2 AG, a subsidiary of the Russian state-controlled company Gazprom.

³¹² [Joint Statement](#), 17 March 2022

³¹³ US Department of Treasury, [Press release](#), 29 June 2022

The direct supply of gas to Europe via Nord Stream 2 would allow Russia to largely bypass Ukraine, which is currently a major transit country of Russian gas pipelines into Europe. Transit fees are thought to account for almost 3% of Ukraine's GDP, [bringing an expected revenue of \\$2-3 billion annually over the next five years](#). The Ukrainian Government described NS2 as akin to an ["economic and energy blockade"](#).³¹⁴

Opposition to the pipeline had been fierce with [critics viewing it as a political project of the Kremlin](#) and part of a broader geopolitical strategy to undermine the West. This is because it increases European reliance on Russian gas supplies and potentially gives Russia leverage over security of supply. Russia said NS2 was "strictly a commercial project".³¹⁵

Among the economic and financial sanctions being discussed by Western allies was the potential halt of the Nord Stream 2 project.

Initially there was some ambiguity over whether allies would be united in taking this step. Several senior figures in the new coalition government, including Chancellor Scholz and the German Defence Minister, Christine Lambrecht, had previously argued that it should not be linked to Russian-Ukrainian tensions.³¹⁶ Under pressure from allies, however, the German Government appeared to shift position and at the end of January 2022 said that, in the event of Russian military action in Ukraine "nothing would be off the table, including Nord Stream 2".³¹⁷

Considered an "ultimate sanction", few expected Nord Stream 2 to be among initial sanctions measures announced. However, on 22 February, and in response to Russia's recognition of the LPR and DPR and its deployment of "peacekeeping" forces, Chancellor Scholz announced that the certification process for Nord Stream 2 would be halted "for the time being" and that "the geopolitical situation makes a reassessment of Nord Stream 2 imperative".³¹⁸

The German Government has since withdrawn the previous Government's [security of supply analysis](#), which is a prerequisite for certification of the pipeline. The US Government also terminated its waiver on NS2 sanctions and reimposed them with immediate effect.

The longer-term future of the pipeline, sections of which were recently damaged in alleged acts of sabotage,³¹⁹ is now tied to the Ukraine crisis and how that may be resolved, all of which is uncertain.

³¹⁴ Radio Free Europe, ["Merkel: New pipeline impossible without clarity for Ukraine"](#), 10 April 2018

³¹⁵ [President of Russia](#), 15 February 2022

³¹⁶ See The Financial Times, "Germany's Russia problem: Ukraine crisis tests new Government", 31 January 2022 and Politico, ["Russian test for Scholz: Ukraine crisis exposes divisions in Berlin"](#), 17 January 2022

³¹⁷ Twitter, [German Ambassador to the United States](#), 26 January 2022

³¹⁸ Federal Ministry for Economic Affairs and Climate Action, [Press release](#), 22 February 2022

³¹⁹ NATO, [Press statement](#), 29 September 2022

5

Imposition of third country secondary sanctions

Sanctions are one of the international community's main foreign policy tools in response to Russia's actions in Ukraine. There is, however, a debate over their longer term impact and whether Russia will turn toward other countries such as China, India, Turkey and Iran in order to negate their effects.

Western governments have sought to address the potential loopholes in the evolving sanction's regime. In a statement on 24 March 2022 the countries of the G7 stated:

We will continue to cooperate closely, including by engaging other governments on adopting similar restrictive measures to those already imposed by G7 members and on refraining from evasion, circumvention and backfilling that seek to undercut or mitigate the effects of our sanctions. We task the relevant Ministers in a focused initiative to monitor the full implementation of sanctions and to coordinate responses related to evasive measures, including regarding gold transactions by the Central Bank of Russia. We stand ready to apply additional measures as required, continuing to act in unity as we do so. We commend those partners who have aligned with us in these efforts.³²⁰

The European Council also met on 24 March and adopted similar conclusions, stating that in addition to further coordinated sanctions, the EU remained ready "to close loopholes and target actual and possible circumvention". The Council called on all countries to adopt sanctions against Russia and said that "any attempts to circumvent sanctions or to aid Russia by other means must be stopped".³²¹ In the last few months, allies have introduced measures intended to tighten the sanctions regime and address sanctions evasion (see above).

Questions continue to be asked, however, about the possible censure of countries and state-affiliated organisations who are assisting Russia in either evading sanctions, or in the conduct of its war in Ukraine.

On 25 March 2022 US National Security Advisor, Jake Sullivan, suggested that the US was prepared to implement secondary sanctions "if it becomes necessary to do so".³²² However, the imposition of such sanctions would come with costs for the global economy and as Tom Keatinge highlighted in evidence to the Treasury Select Committee on 7 March 2022:

³²⁰ [G7 Leaders' Statement](#), 24 March 2022

³²¹ European Council, [Conclusions](#), 25 March 2022

³²² White House, [Press gaggle](#), 25 March 2022

Clearly, there are countries that are sitting on the fence at the moment—you just have to look at how people vote at the UN. Thinking about some of those countries, they clearly might play a role in resolving this conflict, so the last thing we want to do is antagonise them by targeting them with the secondary sanctions...³²³

So far, allies have not imposed secondary sanctions on countries that have continued to trade with Russia. They have, however, moved to impose sanctions on those countries considered to be actively supporting Russia in the conduct of its war in Ukraine.

5.1

Belarus

Prior to Russia's invasion of Ukraine, Belarus was subject to US, UK and EU sanctions for its suppression of civil society, undermining democracy and for its continued violation of human rights.³²⁴

Further sanctions have been imposed since February 2022 for Belarus' role in destabilising Ukraine, undermining or threatening Ukraine's territorial integrity, sovereignty or independence and for actively facilitating Russia's actions in Ukraine.

Many of the economic, trade and transport sanctions imposed on Russia have been extended to Belarus, along with individual sanctions on President Lukashenko and other senior government officials.

Following a meeting on 4 November 2022, G7 Foreign Minister's issued a statement indicating their willingness to go further, should it be necessary:

We will continue to impose economic costs on Russia and on other countries, individuals or entities providing military support for Moscow's war of aggression [...]

If the Belarusian authorities more directly involve Belarus in Russia's war, the G7 will impose overwhelming additional costs on the regime.³²⁵

Further reading:

- [Financial sanctions, Belarus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/financial-sanctions-belarus)
- [EU restrictive measures against Belarus - Consilium \(europa.eu\)](https://ec.europa.eu/eu-foreign-affairs/en/stories/eu-restrictive-measures-against-belarus)
- [Belarus Sanctions - United States Department of State](https://www.state.gov/eo-14024)

³²³ Treasury Select Committee, [Defeating Putin: the development, implementation and impact of economic sanctions on Russia](#), HC1186, 23 March 2022

³²⁴ See, for example, [UK sanctions relating to the Republic of Belarus](#)

³²⁵ [G7 Foreign Minister's Statement](#), 4 November 2022

5.2

Iran

Recent Russian military attacks on Ukrainian civilian infrastructure have been partly conducted using unmanned aerial vehicles (UAV).

Those UAV are reported to be Iranian-manufactured Shahed-136 drones, also referred to as kamikaze drones, transferred to Russia from Iran and, allegedly, in contravention of UN Security Council resolution [UNSCR 2231 \(PDF\)](#).³²⁶ That resolution in 2015 endorsed the Iran nuclear deal (the Joint Comprehensive Plan of Action) and also prohibited the sale or transfer of arms to and from Iran without the prior approval of the Security Council (Annex B).

UK and EU sanctions

In response to Iran's actions, which the FCDO has called "warmongering",³²⁷ on 20 October 2022 the UK and EU imposed sanctions targeting the individuals and businesses responsible for supplying the drones:

- Major General Mohammad Bagheri, Chief of Staff of Iran's armed forces.
- Brigadier General Seyed Qureishi, Head of the Supply, Research and Industrial Affairs Division at the Iranian Ministry of Defence and a key negotiator in the drone deal.
- Brigadier General Saeed Aghajani, the Head of the Islamic Revolutionary Guards Corp Aerospace Force (IRGC-ASF).
- Shahed Aviation Industries – manufacturer of the Shahed drones and associated with the IRGC.³²⁸

On 12 December 2022, the EU announced additional sanctions measures against four individuals and four entities for their role in the development and delivery of UAV to Russia. Those designations include:

- MADO, the manufacturer of engines for the drones used in Ukraine and the company's co-owner and Managing Director, Yousef Aboutalebi
- The IRGC Research and Sufficiency Jihad Organisation and its Head Abdollah Mehrabi,
- Brigadier General Ali Balali, an IRGC officer
- Brigadier General Hamid Vahedi, Commander-in-Chief of the Iranian Air Force.
- The Iranian company DAMA, which is involved in the production of the Shahed UAV.

³²⁶ [Statement by UK Ambassador to the UN, James Kariuki](#), 26 October 2022

³²⁷ Foreign, Commonwealth and Development Office, [Press release](#), 20 October 2022

³²⁸ HM Treasury, [Financial Sanctions Notice \(PDF\)](#), 20 October 2022; Council of the European Union, [Press release](#), 20 October 2022

- Paravar Pars company, which has produced UAV for the IRGC Aerospace Force.³²⁹

The Council of Ministers also noted “with great concern the reports of Iranian weapons, including drones, being manufactured with components of international origin, including from Europe, and is considering the appropriate measures to take”.³³⁰

It went on to say:

The European Union strongly cautions Iran against any new deliveries of weapons to Russia, in particular any steps towards possible transfers of short-range ballistic missiles to Russia, which would constitute a serious escalation. The European Union will continue to respond to all actions supporting the Russian aggression against Ukraine and hold Iran accountable including through additional restrictive measures.³³¹

On 13 December 2022 the UK also announced further sanctions, although it did not go as far as the EU. In addition to the designation of MADO, the company’s Managing Director and the Head of the IRGC Research and Sufficiency Jihad Organisation (IRGC RSJO), the UK also designated the Head of Iran Aviation Industries, Professor Afshin Fard.³³² Unlike the EU, the UK did not list the IRGC RSJO as an entity itself.

US sanctions

The US first imposed sanctions relating to Iran’s UAV programme, and the transfer of weapons to Russia more specifically, in September 2022.³³³ The US State Department had outlined its concerns over plans for the transfer of Iranian UAVs to Russia for use in Ukraine, a few months earlier.³³⁴

Expressing support for the announcement of UK and EU sanctions, at a press briefing on 20 October US National Security Council spokesperson, John Kirby, accused Iran of being directly engaged in the conflict, having also deployed military personnel on the ground in Crimea to help provide technical support to Russian forces operating the drones. He went on to say:

The United States is going to pursue all means to expose, deter, and confront Iran’s provision of these munitions against the Ukrainian people. We’re going to continue to vigorously enforce all U.S. sanctions on both the Russian and

³²⁹ [Official Journal of the European Union, L3181 \(PDF\)](#), 12 December 2022

³³⁰ Council of the European Union, [Press release](#), 12 December 2022

³³¹ Council of the European Union, [Press release](#), 12 December 2022

³³² Foreign, Commonwealth and Development Office, [Press release](#), 13 December 2022 and HM Treasury, [Financial Sanctions Notice \(PDF\)](#), 13 December 2022

³³³ US Department of the Treasury, [Press release](#), 8 September 2022 and US State Department, [Press release](#), 8 September 2022

³³⁴ US State Department, [On Russia’s acquisition of UAVs from Iran](#), 19 October 2022 and White House, [Press briefing](#), 20 October 2022

Iranian arms trade. We're going to make it harder for Iran to sell these weapons to Russia.³³⁵

Further sanctions were subsequently announced on 15 November. In addition to Shahed Aviation Industries, the US is also sanctioning Qods Aviation Industries which manufactures the Mohajer-6 UAV, the IRGC's Aerospace Force and the Wagner Group, and two associated individuals, whom the US accuses of seeking to purchase Iranian UAVs "almost certainly to support its operations in Ukraine".³³⁶ The Wagner Group has already been sanctioned by the UK, EU, Canada and Australia for reasons separate to the Iranian UAV issue (see above). The US has also sanctioned two companies accused of involvement in the transportation of UAVs, personnel and related equipment from Iran to Russia.³³⁷

Iran has, however, denied providing Russia with its drones for use in Ukraine. On 5 November 2022, the Iranian Foreign Minister, Hossein Amirabdollahian, admitted to the transfer of UAV but contended that they were supplied prior to Russia's invasion of Ukraine.³³⁸

5.3

Syria

In coordination with the EU, the UK Government has also sanctioned one Syrian company and several individuals linked to the pro-government militia group, The National Defence Forces, for recruiting Syrian mercenaries to fight alongside Russian forces in Ukraine.³³⁹

12 Further reading: Are sanctions making a difference?

- Treasury Select Committee, [Inquiry into Russia: Effective economic sanctions](#), ongoing
- Stanford University, [The International Working Group on Russian Sanctions](#)
- Council of the European Union, [Infographic: Impact of sanctions on the Russian economy](#), 16 December 2022
- ["Putin aims to fund war machine with shadow oil fleet"](#), The Times, 6 December 2022

³³⁵ White House, [Press briefing](#), 20 October 2022

³³⁶ US Department of State, [Press release](#), 15 November 2022 and US Department of the Treasury, [Press release](#), 15 November 2022

³³⁷ US Department of State, [Press release](#), 15 November 2022 and US Department of the Treasury, [Press release](#), 15 November 2022

³³⁸ ["Iran admits providing drones to Russia but denies involvement in Ukraine"](#), Politico, 5 November 2022

³³⁹ Foreign, Commonwealth and Development Office, [Press release](#), 26 July 2022 and HM Treasury, [Financial Sanctions Notice](#), 26 July 2022

- [“Why sanctions aren’t working against Russia – yet”](#), NPR, 6 December 2022
- [“Zelenskyy calls West’s Russian oil cap ‘weak’”](#), BBC News, 3 December 2022
- [“Sanctions on Russia are working. Here’s why”](#), Foreign Policy, 1 December 2022
- “China becomes top exporter to Russia as sanctions hit Moscow’s trade with EU”, The Financial Times, 7 November 2022
- [“Are the sanctions against Russia working?”](#), Chatham House, 30 September 2022
- [Financing Putin’s war](#), Center for Research on Energy and Clean Air, September 2022
- “India and China undercut Russia’s oil sanctions pain”, The Financial times, 8 September 2022
- [“A visa ban is a sanction the West should impose”](#), IISS Commentary, 7 September 2022
- [Through the looking glass: The Russian view of Western sanctions](#), RUSI (subscription only), 7 September 2022
- [“How the Russian oil price cap will work”](#), Foreign Policy, 6 September 2022
- [Silicone lifeline: Western electronics at the heart of Russia’s war machine \(PDF\)](#), RUSI, August 2022
- [“Turkey doubles Russian oil imports, filling EU void”](#), Reuters, 22 August 2022
- “Alarm mounts in Western capitals over Turkey’s deepening ties with Russia”, The Financial Times, 7 August 2022
- [Russia and sanctions evasion](#), Strategic Comments, July 2022
- [“Elective affinities: Iran, India and China’s responses to the Ukraine war”](#), RUSI Commentary, 5 July 2022
- [“Dozens of Russian weapons tycoons have faced no Western sanctions”](#), Reuters, 1 July 2022
- Center for Strategic and International Studies, [“Strangling the bear? The sanctions on Russia after four months”](#), 22 June 2022
- [“Russia has withstood West’s ‘economic blitzkrieg attempt’](#), Sputnik News, 18 April 2022
- [“From freeze to seize: dealing with Russian oligarchs’ assets in the UK”](#), RUSI, 13 April 2022
- [“Ukraine crisis: Why India is buying more Russian oil”](#), BBC News, 29 March 2022
- Treasury Select Committee, [Defeating Putin: the development, implementation and impact of economic sanctions on Russia](#), HC1186, 23 March 2022
- [“Can sanctions end Russia’s war in Ukraine?”](#), Carnegie Europe, 10 March 2022
- [“Analysis: After sanctions barrage, Russia’s emerging market allies explore workaround”](#), Reuters, 1 March 2022

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