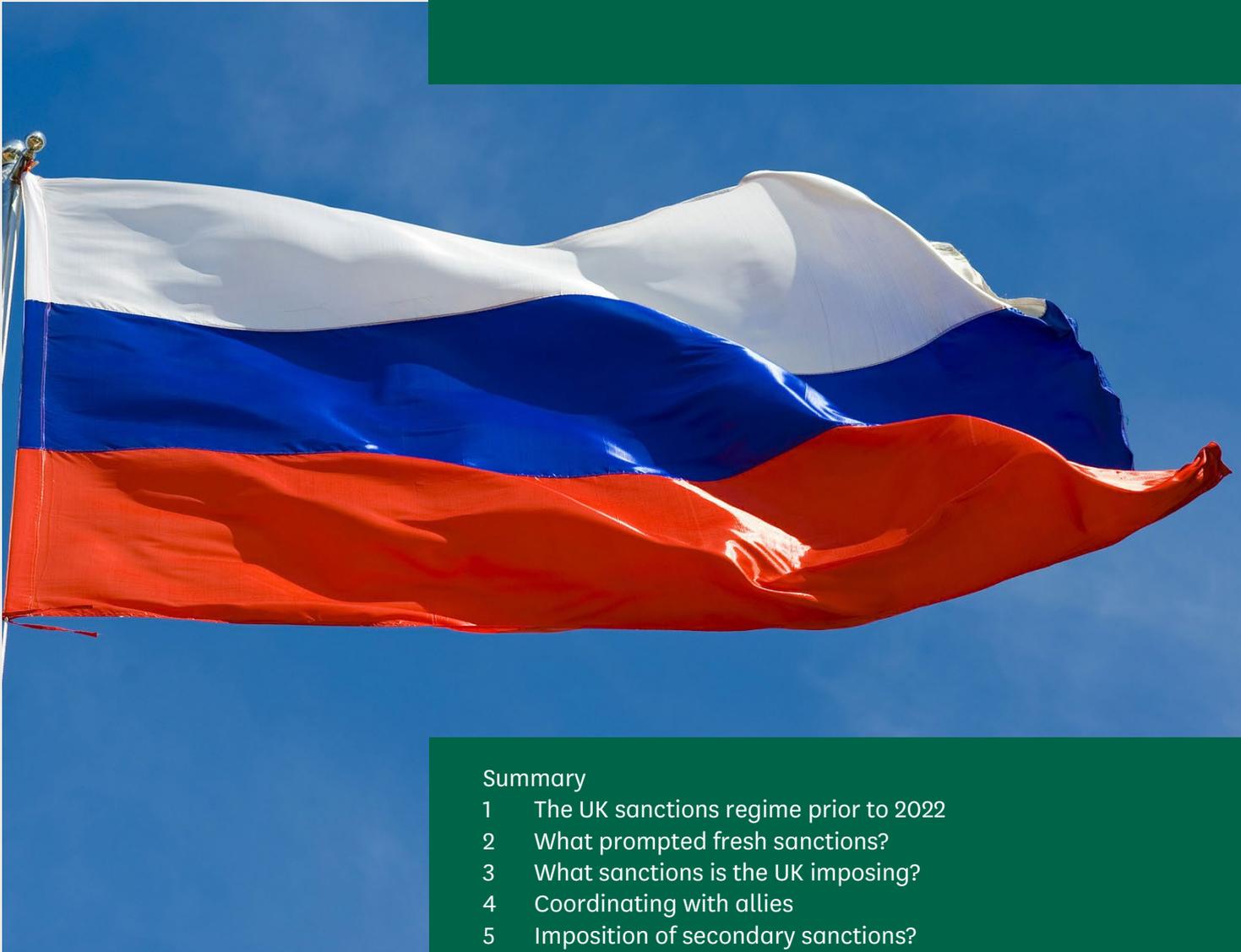


Research Briefing

By Claire Mills

9 June 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 secondary sanctions?

### Image Credits

Russia State flag / image cropped. Licensed under CCO Creative Commons – no attribution required.

### Disclaimer

The Commons Library does not intend the information in our research publications and briefings to address the specific circumstances of any particular individual. We have published it to support the work of MPs. You should not rely upon it as legal or professional advice, or as a substitute for it. We do not accept any liability whatsoever for any errors, omissions or misstatements contained herein. You should consult a suitably qualified professional if you require specific advice or information. Read our briefing [‘Legal help: where to go and how to pay’](#) for further information about sources of legal advice and help. This information is provided subject to the conditions of the Open Parliament Licence.

### Feedback

Every effort is made to ensure that the information contained in these publicly available briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated to reflect subsequent changes.

If you have any comments on our briefings please email [papers@parliament.uk](mailto:papers@parliament.uk). Please note that authors are not always able to engage in discussions with members of the public who express opinions about the content of our research, although we will carefully consider and correct any factual errors.

You can read our feedback and complaints policy and our editorial policy at [commonslibrary.parliament.uk](https://commonslibrary.parliament.uk). If you have general questions about the work of the House of Commons email [hcenquiries@parliament.uk](mailto:hcenquiries@parliament.uk).

# Contents

<b>Summary</b>	<b>5</b>
<b>1 The UK sanctions regime prior to 2022</b>	<b>6</b>
1.1 Russia: Financial and trade sanctions	6
<b>2 What prompted fresh sanctions?</b>	<b>9</b>
<b>3 What sanctions is the UK imposing?</b>	<b>10</b>
3.1 First tranche of sanctions	11
3.2 Second tranche of sanctions	12
3.3 A rolling programme of sanctions	14
Putin, Lavrov and family members sanctioned	16
Putin's inner circle sanctioned	16
Financial sanctions	17
Transport sanctions	20
Further trade sanctions	21
More prominent oligarchs sanctioned by the UK	25
Targeting disinformation	27
Individuals/companies actively supporting Russian forces in Ukraine	28
<b>4 Coordinating with allies</b>	<b>30</b>
4.1 United States	30
Initial sanctions	30
Sanctions imposed after the invasion of Ukraine	31
Response to alleged Russian atrocities in Ukraine	34
Sanctions evasion	36
4.2 European Union	37
Further rounds of sanctions	37
4.3 Other countries	43
Other countries of the G7	43

	Other Western allies and partners	46
	Transatlantic Task Force on sanctions	49
4.4	A halt to Nord Stream 2	50
<b>5</b>	<b>Imposition of secondary sanctions?</b>	<b>52</b>

## 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 an 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 are currently conducting 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, strategic sectors of the economy such as defence, aerospace and energy, and individuals close to the Putin regime.

Further sanctions are being introduced on a rolling basis and the UK has said ["nothing is off the table"](#).

# 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](#).<sup>1</sup>

## 1.1 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.<sup>2</sup>

[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.

---

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

<sup>2</sup> 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”.<sup>3</sup> 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](#).<sup>4</sup> 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.<sup>5</sup>

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.<sup>6</sup>

## 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.<sup>7</sup>

## 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.<sup>8</sup>

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

---

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

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

<sup>5</sup> See Commons Library, Magnitsky legislation, 20 July 2020.

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

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

<sup>8</sup> Foreign, Commonwealth and Development Office, [Press release](#), 21 January 2019

Novichok attack on Russian opposition figure, Alexei Navalny, in August 2020.<sup>9</sup>

## 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

---

<sup>9</sup> 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.<sup>10</sup> 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.

---

<sup>10</sup> President of Russia, [Statement](#), 24 February 2022

## 3

## What sanctions is the UK imposing?

At the time of writing, 1,267 individuals and 151 entities are currently subject to UK sanctions under the Russia regime.

HM Treasury, [Asset freeze targets](#), 27 May 2022

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.<sup>11</sup>

The [Russia \(Sanctions\) \(EU exit\) \(Amendment\) Regulations 2022](#) were published on 10 February. The regulations amend the designation criteria initially set out in the [Russia \(Sanctions\) \(EU exit\) Regulations 2019](#), and identify 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.<sup>12</sup>

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”.<sup>13</sup>

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](#)

<sup>11</sup> HC Deb 31 January 2022, c55

<sup>12</sup> HC Deb 31 January 2022, c56

<sup>13</sup> HC Deb 31 January 2022, c56 and c58

## 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,<sup>14</sup> 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.

The UK imposed travel bans and frozen the assets of the following people:

- **Gennady Timchenko** – a major shareholder in Bank Rossiya who has stakes in various Russian businesses, including gas company Novatek and petrochemical producer Sibur Holding. His net worth is estimated by Forbes to be \$24.3 billion.<sup>15</sup>
- **Boris Rotenberg** – a prominent Russian businessman who is a major shareholder of SMP Bank and sits on its Board of Directors. Forbes estimates his net worth at \$1.2 billion.<sup>16</sup>
- **Igor Rotenberg** – Chairman of the Board of Directors of National Telematic Systems (NTS) and a shareholder in RT-Invest Transport Systems. He dropped off Forbes’ Billionaires list in 2019 and has an estimated fortune of just over \$1 billion.<sup>17</sup>

All three individuals were already subject to US sanctions. Timchenko and Boris Rotenberg were sanctioned by the US in March 2014 following Russia’s annexation of Crimea, and Igor Rotenberg in 2018 as part of its response to Russia’s “worldwide malign activity.”<sup>18</sup>

The assets of the following banks have also been 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.

---

<sup>14</sup> HC Deb 22 February 2022, [Ukraine](#)

<sup>15</sup> Forbes, [Profile: Gennady Timchenko](#)

<sup>16</sup> Forbes, [Profile: Boris Rotenberg](#)

<sup>17</sup> Forbes, [Profile: Igor Rotenberg](#)

<sup>18</sup> “[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

- **Promsvyazbank** – services the Russian defence sector and accounts for 70% of state contracts signed by the Russian Defence Ministry.<sup>19</sup>

Following these designations, 186 individuals and 58 entities were subject to financial sanctions under the Russia regime.<sup>20</sup>

The Government also announced restrictions which will prevent Russia from issuing sovereign debt on UK markets.<sup>21</sup>

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.<sup>22</sup>

[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, extends the territorial sanctions already applicable to Crimea, to the non-government controlled areas in Donetsk and Luhansk.

## 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.<sup>23</sup> Many of the measures set out in this second tranche are 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

---

<sup>19</sup> Office of Financial Sanctions Implementation, [Consolidated list of financial sanctions targets: Russia](#), 24 February 2022

<sup>20</sup> HC Deb 22 February 2022, c291

<sup>21</sup> 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

<sup>22</sup> 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](#))

<sup>23</sup> Foreign, Commonwealth and Development Office, [Press release](#), 24 February 2022

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".<sup>24</sup>

Trade restrictions have been 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 have also been 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 are:

- **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.
- **Kirill Shamalov** - Russia's youngest billionaire and former son-in-law of President Putin. Forbes estimates his net worth at \$1.4 billion.<sup>25</sup>

Further designations of individuals and companies are being made as enabling legislation comes into force. The Government has also said that the subsidiaries of sanctioned entities are included in their list of designations and "across all sanctions regimes".<sup>26</sup>

On 28 February the 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.<sup>27</sup> All Russian companies, including state-owned enterprises such as Gazprom are also

---

<sup>24</sup> HC Deb 1 March 2022, [Sanctions\\_c953](#)

<sup>25</sup> Forbes, [Profile: Kirill Shamlaov](#)

<sup>26</sup> Foreign Commonwealth and Development Office, [Press release](#), 3 March 2022

<sup>27</sup> HC Deb 28 February 2022, [Sanctions\\_c710](#)

prevented from accessing UK capital markets.<sup>28</sup> [Sberbank](#) (PDF) was subsequently made subject to a full asset freeze on 6 April 2022 (see below).<sup>29</sup>

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.<sup>30</sup>

The Government also announced that sanctions will be issued against Belarus for its role in enabling Russian military action in Ukraine.<sup>31</sup>

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

### 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”.

Foreign Secretary, Liz Truss, 28 March 2022

Announcing the second tranche of sanctions, the Prime Minister said on 24 February there will be “a rolling programme of intensifying sanctions”,<sup>32</sup> indicating the Government can, and will go a lot further, in coordination with allies.

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

On the sanctioning of further individuals, 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.<sup>33</sup>

MPs have also called for the Government to go beyond sanctions<sup>34</sup> and bring forward initiatives and proposed legislation on countering foreign influence in the UK, particularly Russian wealth in London.

<sup>28</sup> HC Deb 28 February 2022, [Sanctions](#) c710

<sup>29</sup> The bank had previously been prohibited from clearing payments in sterling on 1 March 2022 (HM Treasury, [Financial Sanctions Notice](#), 6 April 2022)

<sup>30</sup> HC Deb 2 March 2022, c1033

<sup>31</sup> 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.

<sup>32</sup> HC Deb 24 February 2022, c576

<sup>33</sup> HC Deb 28 February 2022, [Sanctions](#) c720

<sup>34</sup> HC Deb 22 February 2022, [Sanctions](#)

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.

## 1 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.

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

## Putin, Lavrov and family members sanctioned

On 25 February 2022, the Government sanctioned President Putin and Russian Foreign Minister, Sergei Lavrov, who are now subject to an asset freeze.<sup>35</sup> UK companies are banned from providing goods, services or assets to them in the future.<sup>36</sup> 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 Sergei Lavrov's stepdaughter, [Polina Kovaleva](#), who owns a £4 million property in London had been sanctioned.<sup>37</sup> 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".<sup>38</sup>

In early April the FCDO also announced that President Putin's daughters, Katerina Tikhonova and Maria Vorontsova, and Sergei Lavrov's daughter, Yekaterina Vinokurova, would also be made subject to asset freezes and travel bans in a bid to curtail their "lavish lifestyles".<sup>39</sup> The UK has coordinated these sanctions with the United States.<sup>40</sup>

Maria Lavrova, Sergei Lavrov's wife, was sanctioned on 13 April and is now subject to a UK asset freeze and travel ban.<sup>41</sup>

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.<sup>42</sup> 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.<sup>43</sup>

## 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.<sup>44</sup>

<sup>35</sup> HM Treasury, [Financial Sanctions Notice](#), 25 February 2022

<sup>36</sup> Foreign, Commonwealth and Development Office, [Press release](#), 25 February 2022

<sup>37</sup> Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

<sup>38</sup> Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

<sup>39</sup> Foreign, Commonwealth and Development Office, [Press release](#), 8 April 2022

<sup>40</sup> Foreign, Commonwealth and Development Office, [Press release](#), 8 April 2022

<sup>41</sup> HM Treasury, [Financial Sanctions Notice](#), 13 April 2022

<sup>42</sup> Foreign, Commonwealth and Development Office, [Press release](#), 13 May 2022

<sup>43</sup> HM Treasury, [Financial Sanctions Notice](#), 13 May 2022

<sup>44</sup> Foreign, Commonwealth and Development Office, [Press release](#), 15 March 2022

## 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, 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 perpetuated against Ukrainian people”.<sup>45</sup>

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.<sup>46</sup> 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.<sup>47</sup>

## 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”.<sup>48</sup>

## 2 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

<sup>45</sup> Foreign, Commonwealth and Development Office, [Press release](#), 31 March 2022

<sup>46</sup> Foreign, Commonwealth and Development Office, [Press release](#), 21 April 2022

<sup>47</sup> HM Treasury, [Financial Sanctions Notice](#), 21 April 2022

<sup>48</sup> Foreign, Commonwealth and Development Office, [Press release](#), 24 February 2022

Several EU Member States, including Germany, had reportedly been reluctant to pursue this sanction measure.<sup>49</sup> Among other things, SWIFT is used to pay for Russian gas imports which many EU countries depend on.<sup>50</sup>

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.<sup>51</sup>

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:

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.<sup>52</sup>

Further designations would have to be approved by the EU<sup>53</sup> and voted for by the SWIFT Board of Directors.<sup>54</sup>

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.<sup>55</sup> Those measures were subsequently adopted on 3 June (see below).

---

<sup>49</sup> Politico, [“Western leaders agree new Russia sanctions, including SWIFT curbs”](#), 27 February 2022

<sup>50</sup> This is examined in greater detail in House of Commons Library, [Geopolitical implications of Nord Stream 2](#)

<sup>51</sup> EU Official Journal, [L63, Vol.65](#), 2 March 2022

<sup>52</sup> White House, [Background Press Call](#), 27 February 2022

<sup>53</sup> SWIFT is headquartered in Belgium and therefore falls under Belgian and EU jurisdiction.

<sup>54</sup> White House, [Background Press Call](#), 27 February 2022

<sup>55</sup> [Speech to the European Parliament Plenary](#), 4 May 2022 [Speech to the European Parliament Plenary](#), 4 May 2022

To date, the government estimates that £275 billion, or 60%, of Russia's foreign currency reserves are now frozen.

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

## Restrictions on the Russian Central Bank

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.<sup>56</sup>

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.<sup>57</sup>

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-owned sovereign wealth fund that the US has referred to as "a known slush fund for President Putin and his inner circle".<sup>58</sup> The Fund's CEO, Kirill Dmitriev, has also been sanctioned.<sup>59</sup>

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).<sup>60</sup> 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.<sup>61</sup>

<sup>56</sup> 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 (Al-Monitor, "[Russian invasion of Ukraine scrambles Middle East diplomacy](#)", 26 February 2022)

<sup>57</sup> HM Treasury, [Press release](#), 28 February 2022

<sup>58</sup> Foreign, Commonwealth and Development Office, [Press release](#), 1 March 2022

<sup>59</sup> HM Treasury, Office of Financial Sanctions Implementation, [Financial Sanctions Notice](#), 1 March 2022

<sup>60</sup> Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

<sup>61</sup> OFSI, [Financial Sanctions Notice](#), 24 March 2022

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).<sup>62</sup>

### 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”.<sup>63</sup>

### 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”.<sup>64</sup>

### 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.<sup>65</sup>

## 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.<sup>66</sup>

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.<sup>67</sup>

---

<sup>62</sup> HM Treasury, [Financial Sanctions Notice](#), 6 April 2022

<sup>63</sup> HM Treasury, [Financial sanctions: general guidance](#) (PDF)

<sup>64</sup> [G7 statement](#), 11 March 2022

<sup>65</sup> Foreign, Commonwealth and Development Office, [Press release](#), 6 April 2022

<sup>66</sup> [Twitter account of Grant Shapps MP](#), 28 February 2022

<sup>67</sup> HC Deb 1 March 2022, [Sanctions](#), c991

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.<sup>68</sup>

### 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).

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.<sup>69</sup>

## Further trade sanctions

Under the Government’s rolling programme of sanctions, further restrictive measures against strategic sectors of the Russian economy are being incrementally introduced.

### Exports

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.<sup>70</sup>

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

---

<sup>68</sup> UK Chamber of Shipping, [Statement following the banning of Russian ships from UK ports](#), 28 February 2022

<sup>69</sup> Foreign, Commonwealth and Development Office, [Press release](#), 19 May 2022 and HM Treasury, [Financial Sanctions Notice](#), 19 May 2022

<sup>70</sup> Foreign, Commonwealth and Development Office, [Press release](#), 9 March 2022

hydrocarbons, are among those companies targeted.<sup>71</sup> The CEO of Russian Railways, Oleg Belozyorov, was subsequently sanctioned on 21 April 2022.<sup>72</sup>

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.<sup>73</sup>

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.<sup>74</sup>

### 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.<sup>75</sup> 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.<sup>76</sup>

### Export of Services

On 4 May 2022 the Government announced a ban on the export of services, including management consulting, accounting and public relations.<sup>77</sup>

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.<sup>78</sup>

---

<sup>71</sup> Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022 and OFSI, [Financial Sanctions Notice](#), 24 March 2022.

<sup>72</sup> HM Treasury, [Financial Sanctions Notice](#), 21 April 2022

<sup>73</sup> HM Treasury, [Financial Sanctions Notice](#), 5 May 2022 and Foreign, Commonwealth and Development Office, [Press release](#), 5 May 2022

<sup>74</sup> Department for International Trade, [Press release](#), 9 May 2022

<sup>75</sup> Department for International Trade, [Press release](#), 15 March 2022

<sup>76</sup> Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

<sup>77</sup> Foreign, Commonwealth and Development Office, [Press release](#), 4 May 2022

<sup>78</sup> 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”.<sup>79</sup>

## Imports

### Imports subject to additional tariffs

The UK is imposing import tariffs and bans on over £1 billion of Russia goods.

[Department of International Trade](#), 21 April 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.<sup>80</sup>

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”.<sup>81</sup> The 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.<sup>82</sup>

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.<sup>83</sup> Those additional duties came into effect on 1 June 2022.<sup>84</sup>

Additional goods that will be subject to import tariffs were announced on 9 May. Once enabling legislation comes into force that list will include chemicals, platinum and palladium, of which Russia is a major producing country.<sup>85</sup>

---

<sup>79</sup> PQ154188, [Sanctions: Russia](#), 26 April 2022

<sup>80</sup> Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)

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

<sup>82</sup> Department for International Trade, [Press release](#), 15 March 2022

<sup>83</sup> Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)

<sup>84</sup> Department for International Trade, [Additional duties on goods originating in Russia and Belarus](#)

<sup>85</sup> Department for International Trade, [Press release](#), 9 May 2022

The Government has said that, following this third wave of measures, more than 96% of goods imported from Russia will be subject to restrictions.<sup>86</sup>

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.<sup>87</sup> That ban is enacted by the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.8\) Regulations 2022](#).

On 21 April the Government announced further import bans on silver, wood products, and high-end goods such as caviar.<sup>88</sup>

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 Russian coal by that date.<sup>89</sup>

## 3 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.<sup>90</sup> Russian imports of oil account for 8% of the UK's total demand.<sup>91</sup>

The Secretary of State for Business, Energy and Industrial Strategy, Kwasi Kwarteng, provided more detail in a [statement to Parliament](#) on 9 March 2022. He also said that the Government would be looking at ending the UK's import of Russian gas, which makes up only 4% of UK supply.<sup>92</sup>

---

<sup>86</sup> Department for International Trade, [Press release](#), 9 May 2022

<sup>87</sup> Foreign, Commonwealth and Development Office, [Press release](#), 6 April 2022

<sup>88</sup> Department for International Trade, [Press release](#), 21 April 2022

<sup>89</sup> Foreign, Commonwealth and Development Office, [Press release](#), 6 April 2022

<sup>90</sup> Downing Street, [Press release](#), 8 March 2022

<sup>91</sup> Downing Street, [Press release](#), 8 March 2022

<sup>92</sup> Department for Business, Energy and Industrial Strategy, [Press release](#), 9 March 2022

The UK's 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 in the coming weeks, thereby “degrading Russia’s ability to produce and export oil – targeting not only the industry’s finances but its capabilities as a whole”.<sup>93</sup> That export ban is enacted by the [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.8\) Regulations 2022](#).

## More prominent oligarchs sanctioned by the UK

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](#) – founder of USM Holdings, designated on 3 March 2022. USM’s sponsorship ties with Everton football club were suspended on 2 March 2022.<sup>94</sup>
- [Igor Shuvalov](#) – Chairman of the management board of Vnesheconombank (which has been excluded from SWIFT), designated on 3 March 2022.
- [Roman Abramovich](#) – 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](#) – Shareholder of EN+ group, 10 March 2022. The US sanctioned Mr Deripaska in 2018.
- [Igor Sechin](#) – CEO of Rosneft, designated on 10 March 2022.
- [Dmitri Lebedev](#) – 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](#) – CEO of Gazprom, designated on 10 March 2022
- [Andrei Kostin](#) – President and Chairman of VTB Bank, designated on 10 March 2022.
- [Nikolai Tokarev](#) – President of Transneft, designated on 10 March 2022.
- [Mikhail Fridman](#) – Founder of Alfa Bank, the largest private bank in Russia and shareholder in LetterOne. Designated on 15 March 2022.
- [Petr Aven](#) – Head of Alfa Bank and co-founder of LetterOne. Designated on 15 March 2022.
- [German Khan](#) – 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](#) – a member of Russia’s richest family and majority shareholder in steel company Severstal. Designated on 15 March 2022.

Since Russia’s invasion of Ukraine, the UK has targeted oligarchs with a net worth of over £117 billion.

[ECDO](#), 13 May 2022

<sup>93</sup> Foreign, Commonwealth and Development Office, [Press release](#), 6 April 2022

<sup>94</sup> Everton FC, [Club statement](#), 2 March 2022

- [Andrey Melnichenko](#) – Founder of EuroChem Group. Designated on 15 March 2022.
- [Viktor Vekselberg](#) – Owner of the Renova Group. Designated on 15 March 2022.
- [Alexander Ponomarenko](#) – Chairman of the Board of Sheremetyevo, the largest airport in Russia. Designated on 15 March 2022.
- [Dmitry Pumpyasny](#) – Owner and Chairman of OAO TMK. Designated on 15 March 2022.
- [Vadim Moshkovich](#) – Chairman of the Board of Directors of Rusagro Group. Designated on 15 March 2022.
- [Eugene Schvidler](#) – a billionaire businessman with close links to Roman Abramovich. Designated on 24 March 2022.
- [Oleg Tinkov](#) – Founder of Tinkoff Bank. Designated on 24 March 2022.
- [Herman Gref](#) – CEO of Sberbank, which is already subject to UK sanctions, and advisor of President Putin. Designated on 24 March 2022.
- [Oleg Aksyutin](#) – Deputy Chairman of the Management Board of Gazprom. Designated on 24 March 2022.
- [Didier Casimiro](#) – First Vice President of Rosneft. Designated on 24 March 2022.
- [Zeljko Runje](#) – Deputy Chairman of the Management Board of Rosneft. Designated on 24 March 2022.
- [Boris Borisovich Rotenberg](#) – Son of Boris Rotenberg, who was sanctioned by the UK at the end of February 2022. Designated on 6 April 2022.
- [Sergey Ivanov](#) – President of diamond company Alrosa, which is also subject to UK sanctions. Designated on 6 April 2022.
- [Andrey Akimov](#) – CEO of Gazprombank. Designated on 6 April 2022.
- [Alexsander Dyukov](#) – CEO of GazpromNeft. Designated on 6 April 2022.
- [Sergey Kogogin](#) – Director of Kamaz which manufactures trucks and buses, including for the Russian military. Designated on 6 April 2022.
- [Andrey Guryev](#) – a close associate of President Putin and founder of PhosAgro, a leading chemical company. Designated on 6 April 2022.
- [Leonid Mikhelson](#) – CEO of Novatek. Designated on 6 April 2022.
- [Viatcheslav Kantor](#) – largest shareholder of fertiliser company Acron. Designated on 6 April 2022.
- [David Davidovich](#) – a Russian/Israeli businessman closely associated with Roman Abramovich.<sup>95</sup> Designated on 14 April 2022.
- [Eugene Tenenbaum](#) – close associate of Roman Abramovich.<sup>96</sup> Designated on 14 April 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:

---

<sup>95</sup> Foreign, Commonwealth and Development Office, [Press release](#), 14 April 2022

<sup>96</sup> Foreign, Commonwealth and Development Office, [Press release](#), 14 April 2022

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.<sup>97</sup>

Under this legislation contravention of these prohibitions will be a criminal offence.<sup>98</sup>

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.

The Government has also announced that a cross-departmental Oligarch Taskforce will be established to “coordinate cross-government work to sanction oligarchs, helping build cases against the list of oligarchs it has identified as targets”.<sup>99</sup>

## 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”.<sup>100</sup>

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”.<sup>101</sup> Of note are TV Novosti, which owns RT (formerly Russia Today)<sup>102</sup> and Rossiya Segodnya, which controls news agency Sputnik. Sergey Brilev, an anchor on Rossiya who has previously lived in the

---

<sup>97</sup> HM Treasury, [Explanatory Memorandum to the Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.6\) Regulations 2022](#)

<sup>98</sup> HM Treasury, [Explanatory Memorandum to the Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.6\) Regulations 2022](#)

<sup>99</sup> Foreign, Commonwealth and Development Office, [Press release](#), 3 March 2022

<sup>100</sup> Foreign, Commonwealth and Development Office, [Press release](#), 15 March 2022

<sup>101</sup> Foreign, Commonwealth and Development Office, [Press release](#), 31 March 2022

<sup>102</sup> [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](#)

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.<sup>103</sup>

On 4 May more individuals and entities were sanctioned for spreading disinformation and justifying “Putin’s illegal invasion as a ‘special military operation’”.<sup>104</sup> 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.<sup>105</sup>

The [Russia \(Sanctions\) \(EU exit\) \(Amendment\) \(No.9\) Regulations](#), which came into force on 29 April 2022, also introduce requirements on all social 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.<sup>106</sup>

## Individuals/companies actively supporting Russian forces 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](#).<sup>107</sup>

The [Wagner Group](#), a Russia-based unincorporated private military entity, which has [reportedly deployed to eastern Ukraine](#), is also now subject to

---

<sup>103</sup> Foreign, Commonwealth and Development Office, [Press release](#), 31 March 2022

<sup>104</sup> Foreign, Commonwealth and Development Office, [Press release](#), 4 May 2022

<sup>105</sup> HM Treasury, [Financial Sanctions Notice](#), 4 May 2022

<sup>106</sup> [Explanatory memorandum to Russia \(Sanctions\) \(EU Exit\) \(Amendment\) \(No.9\) Regulations 2022](#), para. 7.6

<sup>107</sup> Foreign, Commonwealth and Development Office, [Press release](#), 24 March 2022

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.<sup>108</sup>

#### 4 Relevant links

- HM Government, [Russia sanctions: guidance](#), 29 April 2022
- HM Treasury, [Financial sanctions: Russia](#)
- Foreign, Commonwealth and Development Office, [UK sanctions relating to Russia](#), 29 April 2022

---

<sup>108</sup> Foreign, Commonwealth and Development Office, [Press release](#), 21 April 2022

## 4

# Coordinating with allies

“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

The US has described the coordination between allies on sanctions measures against Russia as an “unprecedented act of global sanctions coordination”.<sup>109</sup>

There have been differences between the respective sanction regimes, particularly over the individuals that have been sanctioned.<sup>110</sup> However, 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. On 15 March 2022, for example, the UK Government designated 361 individuals and 8 entities to bring the UK into line with its allies.<sup>111</sup> A further 206 individuals, including 178 separatists, were designated under emergency procedures on 13 April 2022, to bring the UK into line with previous EU designations.<sup>112</sup>

When previously asked about the discrepancies on 28 February, the UK 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.<sup>113</sup>

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

## 4.1

# United States

## 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.

<sup>109</sup> White House, [Background Press Call](#), 27 February 2022

<sup>110</sup> See for example, Financial Times, “Why the US has hit some Russian oligarchs with sanctions but not others”, 14 April 2022

<sup>111</sup> Foreign, Commonwealth and Development Office, [Press release](#), 15 March 2022

<sup>112</sup> HM Treasury, [Financial Sanctions Notice](#), 13 April 2022

<sup>113</sup> HC Deb 28 February 2022, [Sanctions](#)

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.<sup>114</sup>

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.
- A determination by the US Treasury that any institution in the Russian financial services sector is a target for future sanctions.<sup>115</sup>

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.<sup>116</sup>

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.<sup>117</sup>

## 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:<sup>118</sup>

- Sanctions against Russia’s two largest financial institutions to prevent them making clearing payments in US dollars: Sberbank and VTB Bank,

---

<sup>114</sup> White House, [Statement by Press Secretary Jen Psaki on Russian announcement on eastern Ukraine](#), 21 February 2022

<sup>115</sup> 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)

<sup>116</sup> US Department of State, [Sanctioning NS2 AG](#), 23 February 2022

<sup>117</sup> White House, [Remarks by President Biden announcing response to Russian actions in Ukraine](#), 22 February 2022

<sup>118</sup> US Department of the Treasury, [Press release](#), 24 February 2022

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.<sup>119</sup>
- 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.<sup>120</sup>

The US Treasury estimated the announcements would target “nearly 80% of all banking assets in Russia”.<sup>121</sup>

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.<sup>122</sup>

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”.<sup>123</sup>

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.<sup>124</sup>

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.<sup>125</sup>

---

<sup>119</sup> US Department of the Treasury, [Directive 3 under Executive Order 14024](#), Annex 1

<sup>120</sup> US Department of the Treasury, [Russia-related designations](#), 24 February 2022

<sup>121</sup> US Department of the Treasury, [Press release](#), 24 February 2022

<sup>122</sup> US State Department, [Imposing sanctions on President Putin and three other senior Russian officials](#), 25 February 2022

<sup>123</sup> US Department of State, [Additional measures against the Russian financial system](#), 28 February 2022

<sup>124</sup> US Department of the Treasury, [Russia-related designations](#), 3 March 2022

<sup>125</sup> US State Department, [Press release](#), 15 March 2022

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.<sup>126</sup> 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.<sup>127</sup>

The US has also designated the Russian Duma as an entity in its own right,<sup>128</sup> 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”.<sup>129</sup>

At the end of March 2022, the US announced sanctions on several companies to prevent them from evading sanctions and procuring “critical Western technology”.<sup>130</sup> Among them are 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.<sup>131</sup> 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.

In addition, several Russia technology companies were designated by the US including Mikron, Russia’s largest microchip maker and exporter of more than 50% of Russian microelectronics.<sup>132</sup> The US Treasury also expanded its sanctions authority to include the aerospace, marine and electronics sectors of the Russia economy, allowing for sanctions to be imposed on any company or individual operating in those sectors.<sup>133</sup>

### 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.<sup>134</sup>

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

---

<sup>126</sup> US Department of the Treasury, [Press release](#), 24 March 2022

<sup>127</sup> US Department of State, [Press release](#), 24 March 2022

<sup>128</sup> US Department of the Treasury, [Press release](#), 24 March 2022

<sup>129</sup> US Department of the Treasury, [Press release](#), 24 March 2022

<sup>130</sup> US Department of the Treasury, [Press release](#), 31 March 2022

<sup>131</sup> US Department of the Treasury, [Press release](#), 31 March 2022

<sup>132</sup> US Department of the Treasury, [Sanctions Notice](#), 31 March 2022

<sup>133</sup> US Department of the Treasury, [Press release](#), 31 March 2022

<sup>134</sup> White House, [Background press call](#), 8 March 2022

Allies and partners in working together to reduce our collective dependence on Russian energy”.<sup>135</sup>

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

### 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.<sup>136</sup> 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.<sup>137</sup> 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 implementation of the US sanctions regime against Russia.<sup>138</sup> 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.

## 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”.<sup>139</sup> 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.

---

<sup>135</sup> White House, [Fact sheet](#), 8 March 2022

<sup>136</sup> White House, [Remarks by President Biden announcing actions to continue to hold Russia accountable](#), 11 March 2022

<sup>137</sup> US Department of the Treasury, [Executive Order on Prohibiting Certain Imports](#), 11 March 2022

<sup>138</sup> US Department of Justice, [Press release](#), 2 March 2022

<sup>139</sup> US Department of the Treasury, [Press release](#), 6 April 2022

- 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.<sup>140</sup>
- 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.<sup>141</sup> Both companies are already sanctioned by the UK and the EU.<sup>142</sup>

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.<sup>143</sup>

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.<sup>144</sup>

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.<sup>145</sup>

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”.<sup>146</sup> 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.<sup>147</sup> Kremlin-linked yacht brokerage firm Imperial Yachts, Sergei

---

<sup>140</sup> US Department of the Treasury, [Press release](#), 6 April 2022

<sup>141</sup> US State Department, [Fact Sheet](#), 7 April 2022

<sup>142</sup> US Department of the Treasury, [Press release](#), 7 April 2022

<sup>143</sup> US Department of the Treasury, [Press release](#), 8 May 2022

<sup>144</sup> US Department of State, [Fact Sheet](#), 8 May 2022

<sup>145</sup> US Department of State, [Fact Sheet](#), 8 May 2022

<sup>146</sup> US Department of the Treasury, [Press release](#), 2 June 2022

<sup>147</sup> US Department of State, [Press release](#), 2 June 2022

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.<sup>148</sup> Rodulgin has already been designated by the UK, the EU, Australia and New Zealand.

In order to enforce existing sanctions, the US has also identified several vessels and aircraft in which sanctioned individuals, including President Putin, maintain an interest.<sup>149</sup>

## Sanctions evasion

The US has also recently targeted Russian-based cybercrime networks, virtual currency exchanges and virtual currency mining companies that potentially allow for sanctions evasion.<sup>150</sup>

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.<sup>151</sup> The US Department of Justice had previously charged Malofeyev for violating US sanctions on 6 April 2022.<sup>152</sup>

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.<sup>153</sup>

## 5 Relevant links

- 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](#)

---

<sup>148</sup> US Department of the Treasury, [Press release](#), 2 June 2022

<sup>149</sup> US Department of the Treasury, [Press release](#), 2 June 2022

<sup>150</sup> US Department of the Treasury, [Press release](#), 5 April 2022 and [Press release](#), 20 April 2022

<sup>151</sup> US Department of the Treasury, [Press release](#), 20 April 2022. Malofeyev was designated by the US in 2014.

<sup>152</sup> US Department of Justice, [Press release](#), 6 April 2022

<sup>153</sup> US Department of the Treasury, [Press release](#), 8 May 2022

## 4.2

## European Union

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.<sup>154</sup>

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 will be 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.

In line with allies, EU High Representative, Josep Borrell, confirmed the EU would also “raise the level of sanctions substantially, according with Russian behaviour”.<sup>155</sup>

### Further rounds of sanctions

Further sanctions followed on 25 and 28 February, in early March and in early April 2022.<sup>156</sup> The latest round of sanctions (a sixth package of measures) was adopted on 3 June 2022.<sup>157</sup>

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

- Cripple Kremlin's ability to finance Russia's military action

<sup>154</sup> Official Journal of the European Union, [L40, Vol.65](#), 21 February 2022

<sup>155</sup> EU External Action Service, [Press remarks by High Representative Josep Borrell](#), 22 February 2022

<sup>156</sup> 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 and Council of the European Union, [Press release](#), 8 April 2022

<sup>157</sup> Council of the European Union, [Press release](#), 3 June 2022. This sixth 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)

- Impose clear economic and political costs on Russia's political elite responsible for invasion
- Diminish Russia's economic base.<sup>158</sup>

---

At the time of writing, 1,158 Russian individuals and 98 entities are subject to EU sanctions.

[Council of the European Union](#), 3 June 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.

### **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.<sup>159</sup> That ban was extended to banknotes in any official currencies of the EU member states on 8 April 2022.<sup>160</sup>

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".<sup>161</sup>

On 8 April the EU also announced a total asset freeze on four Russian banks: Okritie, VTB, Sovcombank and Novikombank,<sup>162</sup> 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.<sup>163</sup>

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

---

<sup>158</sup> European Commission, [EU sanctions against Russia: factsheet](#), 26 February 2022

<sup>159</sup> EU Official Journal, [L63, Vol.65](#), 2 March 2022

<sup>160</sup> Council of the European Union, [Press release](#), 8 April 2022

<sup>161</sup> Council of the European Union, [Press release](#), 9 March 2022

<sup>162</sup> Official Journal of the European Union, [L110/55](#), 8 April 2022

<sup>163</sup> Council of the European Union, [Press release](#), 8 April 2022

Agricultural Bank, would be cut off from the SWIFT international payments system.<sup>164</sup>

### 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”.<sup>165</sup>

The EU said that such actions were “justified under the security exemptions of the WTO agreement”.<sup>166</sup>

### 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.<sup>167</sup>

On 9 March the EU added a [ban on the export of maritime navigation goods and radio communication technology](#) to Russia.<sup>168</sup>

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.<sup>169</sup>

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 will come into place in August 2022.<sup>170</sup>

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

---

<sup>164</sup> Council of the European Union, [Press release](#), 3 June 2022

<sup>165</sup> European Commission, [Statement by Executive Vice President Dombrovskis](#), 15 March 2022

<sup>166</sup> European Commission, [Statement by Executive Vice President Dombrovskis](#), 15 March 2022

<sup>167</sup> European Commission, [EU sanctions against Russia: factsheet](#), 26 February 2022

<sup>168</sup> Council of the European Union, [Press release](#), 9 March 2022

<sup>169</sup> [Official Journal of the European Union, L87 I](#), Vol.65, 15 March 2022

<sup>170</sup> 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.<sup>171</sup>

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.<sup>172</sup>

### 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.<sup>173</sup>

### 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.

### 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.

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.<sup>174</sup>

### 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

---

<sup>171</sup> Council of the European Union, [Press release](#), 8 April 2022 and Official Journal of the European Union, [L110/55](#), 8 April 2022

<sup>172</sup> Council of the European Union, [Press release](#), 3 June 2022

<sup>173</sup> Council of the European Union, [Press release](#), 3 June 2022

<sup>174</sup> Council of the European Union, [Press release](#), 8 April 2022

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”.<sup>175</sup>

### **Military assistance**

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.<sup>176</sup>

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](#).

### **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”.<sup>177</sup>

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.<sup>178</sup>

On 8 April the EU announced sanctions against “key oligarchs and businesspeople, high ranking Kremlin officials, proponents of disinformation and information manipulation”.<sup>179</sup> 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

---

<sup>175</sup> Council of the European Union, [Press release](#), 3 June 2022

<sup>176</sup> Council of the European Union, [Press release](#), 28 February 2022.

<sup>177</sup> EU External Action Service, [Press statement by EU High Representative](#), 27 February 2022

<sup>178</sup> [Official Journal of the European Union, L87 I](#), Vol.65, 15 March 2022

<sup>179</sup> Council of the European Union, [Press release](#), 8 April 2022

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.<sup>180</sup>

On 21 April 2022, the EU also sanctioned Yevgeniy Prigozhin, the founder and unofficial head of the Wagner Group.<sup>181</sup>

As part of its sixth sanctions package, 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.<sup>182</sup> Alina Kabaeva, President Putin's alleged partner is among those listed.

## Ending EU 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".<sup>183</sup>

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".<sup>184</sup>

In response to Western sanctions, Russia has threatened to cut off gas supplies to Europe via the Nord Stream 1 gas pipeline, although Russian Deputy Prime Minister, Alexander Novak, said on 7 March that "so far, we are not taking such a decision".<sup>185</sup> 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

---

<sup>180</sup> Official Journal of the European Union, [L110/55](#), 8 April 2022

<sup>181</sup> Council of the European Union, [Press release](#), 21 April 2022

<sup>182</sup> Official Journal of the European Union, [L153/15](#), 3 June 2022

<sup>183</sup> European Commission, [Press release](#), 8 March 2022

<sup>184</sup> European Commission, [Press release](#), 8 March 2022

<sup>185</sup> OilPrice.com, "[Russia threatens to cut off flow of Nord Stream 1 pipeline](#)", 7 March 2022

exports of goods made by foreign companies in Russia, including cars, railway carriages and containers.<sup>186</sup> The Kremlin is also reported to be considering nationalising the assets of foreign firms that have left the country in recent weeks.<sup>187</sup>

## 6 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](#).

## 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.<sup>188</sup> Turkey, which is a NATO Member State and Serbia, which is an EU candidate country, have also refused to implement sanctions.<sup>189</sup>

### 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.<sup>190</sup>

---

<sup>186</sup> BBC News, [“Russia hits back at Western sanctions with export bans”](#), 10 March 2022

<sup>187</sup> BBC News, [“Russia hits back at Western sanctions with export bans”](#), 10 March 2022

<sup>188</sup> 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

<sup>189</sup> 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

<sup>190</sup> German Federal Foreign Office, [G7 Foreign Minister's statement on Russia and Ukraine](#), 19 February 2022

At the time of writing, 814 individuals and 178 entities are subject to Canadian sanctions under its [Special Economic Measures \(Russia\) Regulations](#).

## 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:

- 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 specific 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 18 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.<sup>191</sup>
- A ban on crude oil imports.<sup>192</sup>
- 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.<sup>193</sup>
- Sanctions against 160 members of the Russian Federation Council.<sup>194</sup>
- A prohibition on services vital to the operation of Russia's oil, gas and chemical industries, was introduced on 7 June 2022.

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 will now be applied to all Russian and Belarusian imports.<sup>195</sup> The remaining G7 nations, along with the EU and other partners announced this step on 11 March.

<sup>191</sup> Transport Canada, [News release](#), 27 February 2022

<sup>192</sup> Canada has not, however, imported any crude oil from Russia since 2019. Natural Resources Canada, [News release](#), 28 February 2022

<sup>193</sup> Global Affairs Canada, [Canadian sanctions related to Russia](#) (accessed 8 March 2022)

<sup>194</sup> Effective as of 24 March 2022, [Government of Canada, Sanctions – Russian invasion of Ukraine](#)

<sup>195</sup> Department of Finance Canada, [News release](#), 3 March 2022

## Japan

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

- 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.
- Restrictions on the Russian Central Bank.
- An asset freeze of key Russian financial institutions, including VTB, Sovcombank, Novikombank and Otkritie.
- 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.<sup>196</sup> Further designations were made on 8 March 2022, including several executives linked to the Wagner group and organisations such as Transneft;<sup>197</sup> on 15 March, including billionaire Viktor Vekselberg<sup>198</sup> and again on 25 March.<sup>199</sup>
- An export ban on oil refining equipment.<sup>200</sup>
- 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.<sup>201</sup>
- 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.<sup>202</sup>

Japan has also imposed sanctions on Belarus for its role in the Russian invasion of Ukraine, including on President Alexandr Lukashenko.<sup>203</sup>

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”.<sup>204</sup>

---

<sup>196</sup> Baker McKenzie, [Sanctions and export controls blog](#) (accessed 8 March 2022)

<sup>197</sup> Kyodo News, [“Japan imposes more sanctions on Russia, Belarus over Ukraine invasion”](#), 8 March 2022

<sup>198</sup> Kyiv Independent, “Japan freezes assets of additional 1 Russian

<sup>199</sup> Baker McKenzie, [Sanctions and export controls blog](#) (accessed 30 March 2022)

<sup>200</sup> Kyodo News, [“Japan imposes more sanctions on Russia, Belarus over Ukraine invasion”](#), 8 March 2022

<sup>201</sup> Reuters, [“Japan to revise foreign exchange law”](#), 28 March 2022

<sup>202</sup> Baker McKenzie, [Sanctions and export controls blog](#) (accessed 13 April 2022)

<sup>203</sup> Baker McKenzie, [Sanctions and export controls blog](#) (accessed 8 March 2022)

<sup>204</sup> Kyodo News, [“Japan to freeze assets of 4 more Russian banks to align with EU”](#), 3 March 2022

In line with other G7 allies, Japan has revoked Russia's Most Favoured Nation trading status.

## 7 Relevant links

- Government of Canada, [Sanctions – Russian invasion of Ukraine](#)
- Government of Canada, [Consolidated Canadian autonomous sanctions list](#)
- Japanese Ministry of Finance, [Economic sanctions: Ukraine list](#), correct as of 25 March 2022

## Other Western allies and partners

### Australia

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

In response to Russia's current actions in Ukraine the Australian government has 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".<sup>205</sup>

Announcing the first round of additional sanctions on 23 February 2022, the 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".<sup>206</sup> On the

---

At the time of writing, Australia has sanctioned 827 individuals and 62 entities in response to Russia's invasion of Ukraine.

[Ministry of Foreign Affairs](#), 18 May 2022

<sup>205</sup> Australian Ministry of Foreign Affairs, [Media release](#), 23 February 2022

<sup>206</sup> Australian Ministry of Foreign Affairs, [Media release](#), 23 February 2022

sanctioning of President Putin, she said “It is exceedingly rare to designate a head of state, and reflects the depth of our concerns”.<sup>207</sup>

On 8 March the Australian Government announced that further sanctions designations would be made, targeting “propagandists and purveyors of disinformation”.<sup>208</sup> The latest round of sanctions will target 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.<sup>209</sup>

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.<sup>210</sup> An export ban on aluminium ores, including bauxite and related products was also announced on 19 March 2022.<sup>211</sup>

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.<sup>212</sup> Two oligarchs with links to business interests in Australia, Oleg Deripaska and Viktor Vekselberg, were also sanctioned.<sup>213</sup>

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”.<sup>214</sup>

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.<sup>215</sup>

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

---

<sup>207</sup> Australian Ministry of Foreign Affairs, [Media release](#), 28 February 2022

<sup>208</sup> Australian Ministry of Foreign Affairs, [Media release](#), 8 March 2022

<sup>209</sup> Australian Government, [Sanctions: Consolidated List](#) (accessed 8 March 2022)

<sup>210</sup> Australian Department of Foreign Affairs and Trade, [Press release](#), 11 March 2022

<sup>211</sup> Australian Government, [Autonomous sanctions \(Export sanctioned goods – Russia\) Designation 2022](#)

<sup>212</sup> Australian Ministry of Foreign Affairs, [Media release](#), 18 March 2022

<sup>213</sup> Australian Ministry of Foreign Affairs, [Media release](#), 18 March 2022

<sup>214</sup> Australian Ministry of Foreign Affairs, [Press release](#), 25 March 2022

<sup>215</sup> Australian Ministry of Foreign Affairs, [Press release](#), 5 April 2022

committed by Russia in Bucha and other towns around Kyiv”. Among those sanctioned is General Mikhail Mizintsev, who is also subject to UK sanctions.<sup>216</sup>

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.<sup>217</sup>

Further listings related to members of the Russian Duma and senior officials of the LPR and DPR were made on 4 May 2022.<sup>218</sup>

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”.<sup>219</sup> It also listed the Russian Imperial Movement, which it has identified as an ultra-nationalist group known for its anti-Semitic, anti-LGBTQI and anti-Ukrainian views and which has reportedly sent foreign fighters to join Russian separatists in Ukraine.<sup>220</sup>

### 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.<sup>221</sup>

## 8 Relevant links

- Australian Government, [Invasion of Ukraine by Russia](#)
- Australian Government, [Australia and sanctions](#)
- Australian Government, [Sanctions: Consolidated list](#)

### South Korea

On 28 February 2022 the Republic of South Korea announced that it would join international sanctions against Russia, specifically prohibiting transactions with major Russian banks, suspending investment in Russian Treasury bonds and removing Russian banks from SWIFT.<sup>222</sup>

---

<sup>216</sup> Australian Ministry of Foreign Affairs, [Press release](#), 7 April 2022

<sup>217</sup> Australian Ministry of Foreign Affairs, [Press release](#), 22 April 2022

<sup>218</sup> Australian Ministry of Foreign Affairs, [Press release](#), 4 May 2022

<sup>219</sup> Australian Ministry of Foreign Affairs, [Press release](#), 18 May 2022

<sup>220</sup> Australian Ministry of Foreign Affairs, [Press release](#), 18 May 2022

<sup>221</sup> Australian Ministry of Foreign Affairs, [Press release](#), 31 March 2022

<sup>222</sup> Ministry of Economy and Finance, [Press release](#), 1 March 2022

South Korea has since joined with restrictions on eleven Russian banks and financial institutions, and their subsidiaries, including Sberbank, Bank Rossiya, the Russian Direct Investment Fund, and Russia's Central Bank.<sup>223</sup>

It has also banned the export of strategic items, including electronics, semiconductors, computers, information and communications, sensors and lasers, navigation and avionics, and marine and aerospace equipment.

The Government has said that further sanctions will be determined “in accordance with the demand from the international community while closely monitoring the Ukraine situation and global sanctions against Russia including those of the U.S. and the EU nations”.<sup>224</sup>

### 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.<sup>225</sup> The legislation will also allow sanctions to be imposed “against other states complicit with Russia's illegal actions, such as Belarus”.<sup>226</sup>

Previously New Zealand could only implement sanctions imposed by the UN Security Council. The Prime Minister said the limitations of the current multilateral system, specifically Russia's UN Security Council veto, necessitated the introduction of legislation.<sup>227</sup>

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

The Government has also published a list of [individuals subject to a travel ban](#), including President Putin, Sergei Lavrov and Sergei Shoigu.

### Transatlantic Task Force on sanctions

In the [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

---

<sup>223</sup> Ministry of Economy and Finance, [Press release](#), 7 March 2022

<sup>224</sup> Ministry of Economy and Finance, [Press release](#), 1 March 2022

<sup>225</sup> New Zealand Government, [Press release](#), 7 March 2022

<sup>226</sup> New Zealand Government, [Press release](#), 7 March 2022

<sup>227</sup> New Zealand Government, [Press release](#), 7 March 2022

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 Task Force took place on 16 March.<sup>228</sup>

## 4.4

### 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.

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 has described NS2 as akin to an ["economic and energy blockade"](#).<sup>229</sup>

Opposition to the pipeline has 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, and until recently the German Government, have said NS2 is "strictly a commercial project".<sup>230</sup>

Among the economic and financial sanctions being discussed by Western allies has been 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 as a "commercial project" it should not be linked to Russian-Ukrainian tensions.<sup>231</sup> 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".<sup>232</sup>

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

---

<sup>228</sup> [Joint Statement](#), 17 March 2022

<sup>229</sup> Radio Free Europe, ["Merkel: New pipeline impossible without clarity for Ukraine"](#), 10 April 2018

<sup>230</sup> [President of Russia](#), 15 February 2022

<sup>231</sup> 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

<sup>232</sup> Twitter, [German Ambassador to the United States](#), 26 January 2022

“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”.<sup>233</sup>

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 has also terminated its waiver on NS2 sanctions and reimposed them with immediate effect.

Several investors in the project have since said they are considering ending their involvement in protest over Russia’s actions in Ukraine.

The longer-term future of the pipeline is now tied to the Ukraine crisis and how that may be resolved, all of which is uncertain. Indeed, [media reports on 1 March 2022 suggest that Nord Stream 2 AG is considering filing for insolvency](#). The company has neither confirmed nor denied the reports.

---

<sup>233</sup> Federal Ministry for Economic Affairs and Climate Action, [Press release](#), 22 February 2022

## 5

## Imposition of secondary sanctions?

Sanctions are one of the international community's main foreign policy tools in response to Russia's actions in Ukraine. There has, however, been some debate over the impact they will have and whether Russia will turn toward China, India and the Middle East in order to negate their effects.

Western governments have therefore started to examine where potential loopholes exist in the sanction's regime being imposed. 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.<sup>234</sup>

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".<sup>235</sup>

Questions are starting to be asked about the possible censure of countries who are assisting Russia in evading sanctions, and whether secondary sanctions could be imposed on third parties.

On 25 March 2022 US National Security Advisor, Jake Sullivan, suggested that the US was "prepared to use them if it becomes necessary to do so".<sup>236</sup> 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:

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

<sup>234</sup> [G7 Leaders' Statement](#), 24 March 2022

<sup>235</sup> European Council, [Conclusions](#), 25 March 2022

<sup>236</sup> White House, [Press gaggle](#), 25 March 2022

thing we want to do is antagonise them by targeting them with the secondary sanctions...<sup>237</sup>

## 9 Further reading

- Treasury Select Committee, [Inquiry into Russia: Effective economic sanctions](#), ongoing
- Stanford University, [The International Working Group on Russian Sanctions](#)
- Atlantic Council, [Global sanctions dashboard: Russia and beyond](#), 9 May 2022
- Sputnik News, [“Russia has withstood West’s ‘economic blitzkrieg attempt’](#), 18 April 2022
- RUSI, [“From freeze to seize: dealing with Russian oligarchs’ assets in the UK”](#), 13 April 2022
- Financial Times, [“Weaponisation of finance: How the West unleashed ‘shock and awe’ on Russia”](#), 6 April 2022
- Financial Times, [“US threatens to punish third parties helping Moscow evade sanctions”](#), 29 March 2022
- BBC News, [“Ukraine crisis: Why India is buying more Russian oil”](#), 29 March 2022
- Center for Strategic and International Studies, [The new arms race: sanctions, export control policy, and China](#), 25 March 2022
- Treasury Select Committee, [Defeating Putin: the development, implementation and impact of economic sanctions on Russia](#), HC1186, 23 March 2022
- Financial Times, [“India explores ‘rupee-rouble’ exchange scheme to beat Russia sanctions”](#), 17 March 2022
- Carnegie Europe, [“Can sanctions end Russia’s war in Ukraine?”](#), 10 March 2022
- Reuters, [“Analysis: After sanctions barrage, Russia’s emerging market allies explore workaround”](#), 1 March 2022
- RUSI Podcast, [Sanctions and global security](#), 28 February 2022
- Chatham House, [“Ukraine is severe test of China’s new axis with Russia”](#), 28 February 2022
- European Parliament Research Service, [Western sanctions and Russia \(PDF\)](#), February 2022

---

<sup>237</sup> Treasury Select Committee, [Defeating Putin: the development, implementation and impact of economic sanctions on Russia](#), HC1186, 23 March 2022

The House of Commons Library is a research and information service based in the UK Parliament. Our impartial analysis, statistical research and resources help MPs and their staff scrutinise legislation, develop policy, and support constituents.

Our published material is available to everyone on [commonslibrary.parliament.uk](https://commonslibrary.parliament.uk).

Get our latest research delivered straight to your inbox. Subscribe at [commonslibrary.parliament.uk/subscribe](https://commonslibrary.parliament.uk/subscribe) or scan the code below:



 [commonslibrary.parliament.uk](https://commonslibrary.parliament.uk)

 [@commonslibrary](https://twitter.com/commonslibrary)