



[View this email in your browser](#)

## **EU adopts 14<sup>th</sup> package of sanctions against the Russian Federation**

*Of particular interest to: All EU firms and UK firms with business in the EU*

### **In brief**

The European Union ("EU") has adopted its 14th sanctions package against the Russian Federation, targeting liquid natural gas ("LNG") projects, banning investments and exports to new Russian LNG projects which highlights the EU's determination in reducing Russia's sources of revenue and capacity to wage war. The package of sanctions against Russia include: the first-ever sanctions on vessels supporting Russia's war, asset freezes and travel bans on 69 individuals and 47 entities. Overall, the package strengthens financial sanctions and expands export restrictions on dual-use and advanced technology items. Additional measures to counter sanctions circumvention, protect EU operators, and fine-tune existing restrictions are also included in the package, as the EU continues to support Ukraine by degrading Russia's military and technological capabilities and reduce its revenue sources.

### **Summary**

By supporting Ukraine in the war against Russia, the EU has implemented sanctions aimed at reducing Russia's military and technological capabilities, cutting it off from developed markets and depriving Russia of war revenues. These sanctions aim to erode Russia's industrial and tech base over time, contributing to the end of the conflict.

### **Financial Sanctions**

The new package of sanctions includes those targeting Russia's SPFS financial messaging system (the Russian equivalent of Swift), a ban on EU banks outside of Russia using SPFS, and restrictions on transactions with banks and crypto asset providers that encourage services to Russia's defence industry, or support it. Moreover, a list of non-Russian third country banks connected to such systems will be banned from doing business with EU operators.

### **Anti-circumvention**

Another inclusion in the package is enhanced anti-circumvention steps for EU companies, their counterparties and non-EU subsidiaries, as it obliges them to ensure their compliance with EU sanctions. The package tightens prohibitions on re-exporting items to Russia and extends the services ban exemption for EU, and EU partner country-owned Russian subsidiaries until 30 September 2024. Additionally, whilst voluntary self-disclosure of sanctions breaches may mitigate penalties, the package illustrates the general definition of circumvention has been expanded to include the involvement of firms who inadvertently bypass sanctions.

### **Additional measures**

An additional measure brought about by the package includes additional restrictions on EU registrations of

intellectual property rights by Russian entities, and by EU citizens who have a connection with intellectual property from Russia.

Significant additions have been made to the EU's list of Designated Persons, with 69 individuals and 47 entities being placed under asset freezes. The list of restricted goods and technologies has been expanded to include items, such as machinery, electrical equipment, and chemicals, as well as further sanctions on aviation, shipping, and transport.

Overall, the EU continues to support Ukraine and aims to degrade Russia's military and technological capabilities by reducing its revenue sources and imposing higher economic costs and monitors the enforcement of these sanctions and collaborates with third countries to prevent circumvention. The EU is also enhancing private sector compliance, and monitoring foreign subsidiaries of EU operators, to which the 14<sup>th</sup> Russia sanctions package includes measures to protect EU operators from expropriation and respond to Russian state actions, such as in the case of intellectual property theft.

Finally, the UK has followed suit after the EU, and has expanded sanctions to 11 Russian ships. Further information on UK sanctions in general can be found in the 'Useful Links' section below.

### **Useful Links**

[EU adopts 14th package of sanctions against Russia \(europa.eu\)](#)

[Q&A 14th package of restrictive measures against Russia \(europa.eu\)](#)

[Overview of sanctions and related resources - European Commission \(europa.eu\)](#)

[The UK Sanctions List - GOV.UK \(www.gov.uk\)](#)

[UK Financial Sanctions FAQs - GOV.UK \(www.gov.uk\)](#)

If you have any comments on this article, or any questions in general, then please speak to your usual Optima consultant or contact us at [info@optimapartners.com](mailto:info@optimapartners.com)

**To stop all marketing communications** from us, please click unsubscribe below.  
[unsubscribe from this list](#)

*Copyright © 2024 Optima Partners, All rights reserved.*

### **Our mailing address is:**

126 / 128 Buckingham Palace Road, 2nd Floor, London SW1W 9SA