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Ukraine Conflict - EU Adopts Further Sanctions Against Russia

On 8 April 2022 the EU adopted a fifth package of sanctions on Russia, comprising of several Regulations and Decisions.

Council Regulation (EU) 2022/581 and Council Decision (CFSP) 2022/582, listed an additional 216 individuals and 18 entities, including Bank Otkritie FC Bank; Novikombank; Sovcombank; VTB Bank and JSC GTLK State Transport Leasing Company.

Council Regulation 2022/576 and Decision (CFSP) 2022/578 included the following prohibitions:

- 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, including in transit. An exemption is available until 10 August 2022 for contracts concluded before 9 April 2022.

- Access after 16 April 2022 to ports in the EU to vessels registered under the flag of Russia (and to vessels that have changed their Russian flag or registration to the flag or register of other states after 24 February 2022), except in the case of a vessel seeking a place of refuge or an emergency port calls for maritime safety or for the purposes of saving life at sea.

Exemptions may be granted by the competent authorities for port access that is deemed necessary for the following purposes:

(a) the purchase, import or transport into the Union of natural gas and oil, including refined petroleum products, titanium, aluminium, copper, nickel, palladium and iron ore, as well as certain chemical and iron products as listed in Annex XXIV;

(b) the purchase, import or transport of pharmaceutical, medical, agricultural and food products, including wheat and fertilisers whose import, purchase and transport is allowed under the Regulation;

(c) humanitarian purposes;

(d) transport of nuclear fuel and other goods strictly necessary for the functioning of civil nuclear capabilities; or

(e) the purchase, import or transport into the Union of coal and other solid fossil fuels, as listed in Annex XXII until 10 August 2022.

- The sale, supply, transfer or export as well as related technical and financial assistance to any person in Russia or for the use in Russia of jet fuel and certain fuel additives (as listed in Annex XX), as well as and goods and technology which could contribute in particular to the enhancement of Russian industrial capacities (as listed in Annex XXIII and for which an exemption is available until 10 July 2022 for contracts concluded before 9 April 2022).

- The purchase, import, or transfer into the EU, as well as financial assistance, if originating in Russia or exported from Russia, of goods which generate significant revenues for Russia, including (among other things) wood, cement, fertilisers and seafood (as listed in Annex XXI). An exemption is available until 10 July 2022 for contracts concluded before 9 April 2022.

- The sale, supply, transfer, or export, directly or indirectly, goods and technology suited for use in oil refining and liquefaction of natural gas (as listed in Annex X) whether or not originating in the Union, to any natural or legal person, entity or body in Russia or for use in Russia.

- Otkritie FC Bank, Novikombank, Sovcombanka and VTB Bank are subject to a transaction ban and asset freeze save for release of funds until 9 October needed to conclude contracts concluded before 8 April.

Source of Information: The West of England P&I Club