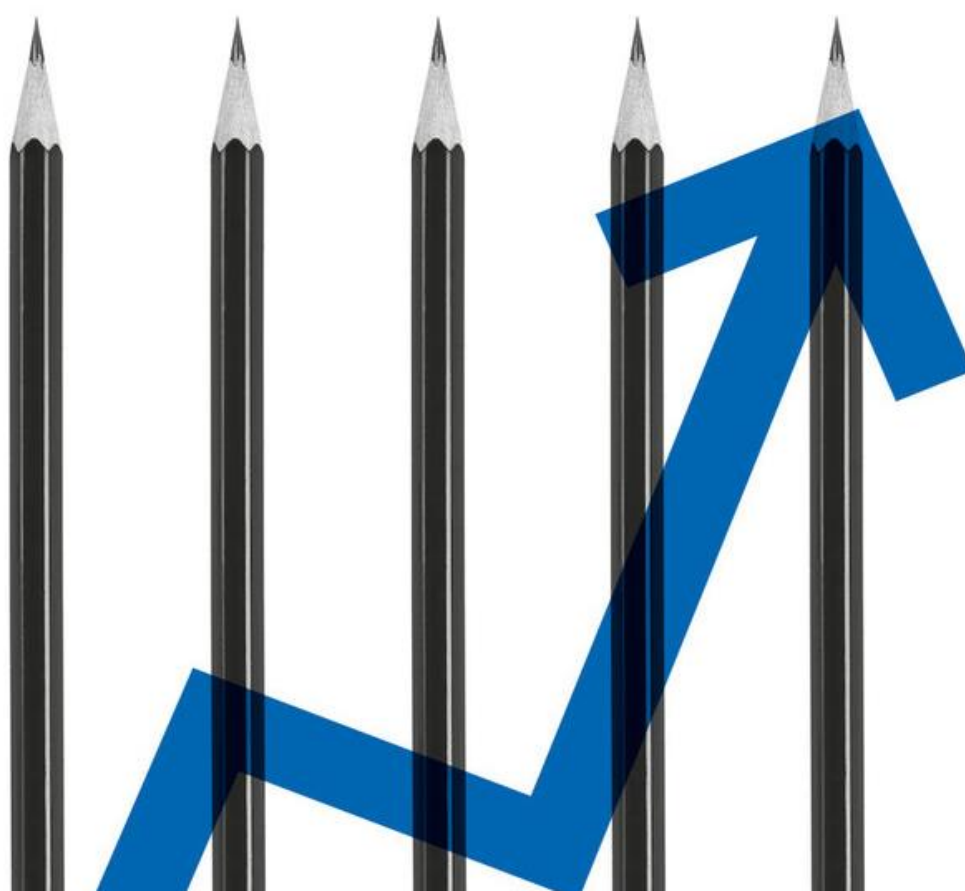


Keeping you up to speed

Continued expansion of sanctions against
Russia

28 February 2022



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Introduction

Following the invasion of Ukraine by Russia the UK, EU and US have all responded by announcing significant sanctions in respect of Russia. The US has also imposed further sanctions in respect of Belarus and it is expected that the UK and EU will do the same.

The sanctions landscape has been changing at a fast pace and further changes are expected during the course of this coming week.

This briefing summarises the key developments since 24 February 2022 and supplements our [23 February 2022 briefing](#) and [24 February 2022 briefing](#).

In addition to the content below:

- it was announced on 26 February 2022 that the EU, UK, the US and Canada all agreed to undertake the following actions (which we will see carried out in the coming days):
 - selected Russian banks will be removed from the SWIFT messaging system. The European Commission statement indicated that this measure will “*ensure that these banks are disconnected from the international financial system and harm their ability to operate globally*”. The list of Russian banks has not, at the time of publication of this note, been announced although it is understood the removal from SWIFT will apply to those Russian banks which have been designated pursuant to the sanctions issued over the last week;
 - restrictive measures will be imposed on the Russian Central Bank;
 - restrictions on so called “golden passports” which enable wealthy Russians connected to the Russian government become citizens in the EU, UK, US and Canada;
 - the launch of a transatlantic taskforce to co-ordinate the implementation of financial sanctions by identifying and freezing the assets of sanctioned individuals and companies that exist within the EU, UK, US and Canada; and
 - further measures in to address disinformation and other forms of hybrid warfare (i.e. cyberwarfare)
- the UK is also expected to announce today (28 February 2022):
 - a new Kleptocracy cell based in the National Crime Agency to investigate sanctions evasion;
 - the strengthening of the unexplained wealth orders system (which enables the UK to order people to reveal their source of wealth or face having property seized); and
 - a system mandating the registration of all beneficial owners of UK property (to deal with the perceived problem of shell companies being used to purchase UK property and conceal ownership by corrupt foreign owners, including those with close links to the Kremlin). The register of overseas entities will apply retrospectively to property owned by overseas owners up to 20 years ago in England and Wales (and since December 2014 in Scotland). Entities that do not declare their ultimate owners will face restrictions on selling the property (there are also reports there could be criminal sanctions).

The intention for further restrictions is being communicated by the EU, UK and US on almost a daily basis and it is important to keep up to date with the legal position as and when restrictions are set out in law.



United Kingdom

Following a series of asset freezes imposed by the UK government between 22 and 24 February 2022, the UK government announced the following on 25 February 2022:

Asset Freezes

Asset freezes were announced in respect of:

- Vladimir Vladimirovich Putin, the President of Russia; and
- Sergei Viktorovich Lavrov, the Russian Foreign Minister

Accordingly, all funds and economic resources belonging to, owned, held or controlled by the Designated Persons are frozen (meaning it is prohibited for UK persons to deal with (among other things), directly or indirectly, such funds or economic resources) and it is also prohibited for UK persons to make funds or economic resources available, directly or indirectly, to or for the benefit of the Designated Persons. Under UK law, these restrictions also apply to entities which are owned more than 50%, or controlled by, the Designated Persons.

In addition to the above, further asset freezes are expected on more than 100 additional individuals and entities (with Liz Truss stating yesterday that the government is drawing up a "hit list" of oligarchs who will be targeted). At the time of publication, the full list of designated persons has not yet been published. It is expected it will include other Russian Banks, Russian businesses and ultra-high net worth individuals.

General Licence

On 25 February 2022, the Office of Financial Sanctions Implementation ("**OFSI**") published a General Licence in relation to PJSC VTB Bank ("**VTB**"), which was designated on 24 February 2022 by the UK and is subject to an asset freeze.

[General Licence INT/2022/1272278](#) was issued pursuant to Regulation 64 of the Russia (Sanctions) (EU Exit) Regulations 2019. The General Licence provides that any person or institution may wind down any



transactions (which would otherwise be prohibited by the asset freeze) involving VTB and its UK subsidiaries, i.e. VTB Capital Plc and any entity owned or controlled by VTB Capital Plc incorporated in the UK, including the closing out of any positions, up until 27 March 2022.

Further restrictions expected

On 28 February the UK government announced it was imposing sanctions targeting the Central Bank of the Russian Federation ("**CBR**"), in co-ordination with the US and the EU (at the time of publication of this briefing such restrictions have not been issued). This would 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.*"

Restrictions are to be imposed which:

- 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;
- impose restrictions against Russian financial institutions;
- prevent Russian companies from issuing transferable securities and money market instruments in the UK, which will be in addition to existing financial restrictions as well as the already announced prohibition in respect of Russian sovereign debt;
- prevent designated banks from accessing Sterling and clearing payments through the UK, similar to those imposed by the US;
- prohibit the export of a range of high-end and critical technical equipment and components in sectors including electronics, telecommunications, and aerospace to Russia;
- the previously announced extension of financial and trade measures applying to Crimea to the Donetsk and Luhansk regions.

It is anticipated that further general licences could be published in respect of these measures and will be published on OFSI's website.



European Union

Following a series of asset freezes, financial based prohibitions and trade-related restrictions imposed by the EU on 23 February 2022, the European Council agreed a further package of sanctions in respect of Russia on 24 February 2022. These further sanctions came into effect on 25 February 2022 via a series of EU Council Regulations which amend Regulation (EU) No 269/2014 and Regulation (EU) No 833/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine. Alongside these a series of EU Council Decisions were also published.

The key items to note include:

Council Regulation (EU) 2022/330 ("EU Reg 2022/330").

EU Reg 2022/330 amends Article 3 of Regulation (EU) No 269/2014 to expand the scope of who can be subject to an asset freeze. In particular, in addition to the existing scope of the asset freeze, it enables asset freezes to be imposed against:

- Any person or entity which conducts transactions with separatist groups in the Donbas region of Ukraine;
- Any person or entity "supporting, materially or financially, or benefitting from the Government of the Russian Federation";
- "Leading businesspersons" or any person or entity involved in "economic sectors providing a substantial source of revenue to the Government of the Russian Federation"; and
- Any person or entity associated with the above.

Council Implementing Regulation (EU) 2022/332 ("EU Reg 2022/332").

EU Reg 2022/332 amends Regulation (EU) No 269/2014 to implement asset freezes in respect of a number of Russian individuals, including (but not limited to):

- Vladimir Putin;



- Sergey Lavrov, the Minister of Foreign Affairs of the Russian Federation;
 - Further members of the Russian State Duma who voted in favour of Russia's recognition of the independence of the Donetsk and Luhansk regions of Ukraine;
 - The Deputy Chairman of the Russian National security Council;
 - The Prime Minister of the Russian Federation;
 - The Minister of the Interior of the Russian Federation;
 - Various Belarussian military personnel.
- together the **"Sanctioned Persons"**

Accordingly, all funds and economic resources belonging to, owned, held or controlled by the Sanctioned Persons are frozen (meaning it is prohibited for EU persons to deal with (among other things), directly or indirectly, such funds or economic resources) and it is also prohibited for EU persons to make funds or economic resources available, directly or indirectly, to or for the benefit of the Sanctioned Persons. Under EU law, these restrictions also apply to entities which are owned more than 50%, or controlled by, the Sanctioned Persons.

EU financial-related prohibitions

Council Regulation (EU) 2022/328 ("EU Reg 2022/328")

EU Reg 2022/328 amends Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine as follows:

- expands the existing financial restrictions on access by certain Russian entities to capital markets; and
- introduces new measures intended to significantly limit the financial inflows from Russia to the EU including prohibiting:
 - the listing and provision of services in relation to shares of Russian state-owned entities on Union trading venues;



- the acceptance of deposits exceeding certain values from Russian nationals or residents;
- the holding of accounts of Russian clients by Union central securities depositories; and
- the selling of euro-denominated securities to Russian clients

Some key points to note are as follows (please note this is not a comprehensive note of all restrictions):

- A number of definitions within the Existing EU Regulation have been added and those operating in the financial sector would take note of these changes including:
 - "Central securities depository";
 - "Deposit";
 - "investor citizenship schemes" (or "golden passports");
 - "investor residence schemes" (or "golden visas");
 - "trading venue"; and
 - "financing or financial assistance";
- In addition there has been an amendment to the definition of "transferable securities" with the addition of the text underlined below:

"means the following classes of securities which are negotiable on the capital market, with the exception of instruments of payment:

- (i) shares in companies and other securities equivalent to shares in companies, partnerships or other entities, and depositary receipts in respect of shares,
- (ii) bonds or other forms of securitised debt, including depositary receipts in respect of such securities
- (iii) any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities

Article 5

- Article 5 which previously set out the capital market restrictions on transferable securities, money market instruments and new loans and credit, has been replaced in its entirety. The new restrictions can be summarised as follows:



Art 5(1)

- The existing restrictions on transferable securities and money market instruments issued after 1 August 2014 and 12 September 2014 by those financial institution entities listed in Annex III remain (including the respective maturity periods of 90 and 30 days).
- However, for any transferable securities and money market instruments issued **after 12 April 2022** by those financial institution entities, it will be prohibited to directly or indirectly purchase, sell, provide investment services for or assistance in the issuance of, or otherwise deal with them, **regardless of maturity period**.
- The list of financial institutions included in Annex III to which these restrictions apply remain unchanged as follows:
 - SBERBANK
 - VTB BANK
 - GAZPROMBANK
 - VNESHECONOMBANK (VEB)
 - ROSSELKHOZBANK

Art 5(2)

- Introduces new restrictions on transferable securities and money-market instruments issued **after 12 April 2022** by the following Russian financial institutions, **regardless of maturity period**:
 - Alfa Bank;
 - Bank Otkritie;
 - Bank Rossiya; and
 - Promsvyazbank
- These restrictions also apply to:
 - any non-EU entity which is directly or indirectly owned for more than 50% by these financial institutions; and/or
 - any legal person, entity or body acting on behalf or at their direction.



Art 5(3)

- The existing restrictions on transferable securities and money market instruments issued after 12 September 2014 by those military/defence sector entities listed in Annex V or energy sector entities listed in Annex VI, remain (including the maturity period 30 days).
- However, for any transferable securities and money market instruments issued after **12 April 2022** by those military/defence and energy sector entities, it will be prohibited to directly or indirectly purchase, sell, provide investment services for or assistance in the issuance of, or otherwise deal with them, **regardless of maturity period**.

Art 5(4)

Introduces a prohibition to directly or indirectly purchase, sell, provide investment services for or assistance in the issuance of, or otherwise deal with transferable securities and money-market instruments, issued after 12 April 2022 by:

- a legal person, entity or body established in Russia, which is publicly controlled or with over 50% public ownership and in which Russia, its Government or Central Bank has the right to participate in profits or with which Russia, its Government or Central Bank has other substantial economic relationships, as listed in Annex XIII;
- any non-EU entity which is directly or indirectly owned for more than 50% by these entities; and/or
- any legal person, entity or body acting on behalf or at their direction.

Annex XIII entities

- Almaz-Antey;
- Kamaz;
- Novorossiysk Commercial Sea Port;



- Rostec (Russian Technologies State Corporation);
- Russian Railways;
- JSC PO Sevmash;
- Sovcomflot; and
- United Shipbuilding Corporation

New Art 5(5)

Introduces a new prohibition on the listing and provision of services on trading venues registered or recognised in the EU, for the transferable securities of any legal person, entity or body established in Russia and with over 50 % public ownership. These prohibitions take effect as of 12 April 2022.

"trading venue" means a regulated market, a multilateral trading facility (MTF) or an organised trading facility (OTF).

New Art 5(6)

Subject to certain restrictions article 5(6) sets out a prohibition on making, or being part of any arrangement to make, new loans or credit with maturity exceeding 30 days after 12 September 2014 to 26 February 2022 to any of the entities referred to in article 5 (1) and (3). It also prohibits any new loans or credit after 26 February 2022 to any person captured by the restrictions in article 5 (1), (2), (3) or (4).

Transferable Securities

Art 5(e)

Introduces a new prohibition for Union central securities depositories to provide any services for transferable securities issued after 12 April 2022 to any Russian national or resident or any body or entity established in Russia.



"central securities depository" depository means a legal person that operates a securities settlement system and provides at least one of the following core services: notary services, central maintenance services and settlement services. This prohibition does not apply to nationals of a Member State or individuals with a temporary or permanent residence permit in a Member State.

Art 5(f)

Introduces a new restriction whereby EU persons are prohibited to sell Euro denominated transferable securities issued after 12 April 2022 or units in collective investment undertakings providing exposure to such securities, to any Russian national or natural person residing in Russia or any legal person, entity or body established in Russia.

There are no limitations in respect of which transferable securities are impacted or who they are issued by and therefore this is a much broader restriction than the other capital markets restrictions and is likely to result in significant due diligence considerations. There is an exemption which means that they can be sold to nationals of an EU Member State or persons having temporary or permanent residence permit in a Member State.

Deposits from Russian nationals or residents

Art 5(b)

EU Reg 2022/328 introduces new restrictions which prohibit credit institutions from accepting any deposits exceeding 100,000 EUR from Russian nationals or residents as well as any legal persons entities or bodies established in Russia (article 5(b)).

This prohibition does not apply to nationals of, or individuals with a permanent or temporary residence permit in, a Member State. The prohibition does not apply to deposits which are necessary for non-prohibited cross-border trade in goods and services between the EU and Russia.

Article 5(c) and (d) enables competent authorities to authorise the acceptance of deposits which would otherwise be restricted, with any conditions they deem appropriate. Such authorisation may be provided in limited circumstances including where the deposit is:



- necessary to satisfy the basic needs of the Russian national or resident and their dependent family members;
- intended exclusively for the payment of reasonable professional fees or reimbursements of expenses associated to the provision of legal services;
- necessary for extraordinary expenses;
- necessary for official purposes of a diplomatic mission or consular post or internal organisation; or
- necessary for humanitarian purposes or for civil society activities that directly promote democracy, human rights or the rule of law in Russia

For each authorisation or proposed authorisation, there are specific requirements for informing the other Member States and the Commission.

It is also important to note that article 5(g) introduces reporting requirements for credit institutions relating to this new restriction. Such institutions are now required to supply the national competent authority of the Member State where they are located, or the Commission, with a list of deposits exceeding 100,000 EUR held by Russian nationals or residents or anybody or entity established in Russia. This information must be provided by 27 May 2022.

The credit institution is required to provide updates regarding the amounts of these deposits every 12 months.

In addition, credit institutions must also supply to the competent authority or Commission information on deposits exceeding 100,000 EUR held by Russian nationals and residents who have acquired the citizenship of a Member State or residence rights in a Member State through an investor citizenship scheme or an investor residence scheme.



EU trade-related prohibitions

Dual-Use Goods and Technology

Under Regulation 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine ("**EU Existing Russia-related Sanctions**"), the prohibition on selling, supplying, transferring or exporting, directly or indirectly) dual-use goods and technology (i.e. those listed in Annex I to Regulation 2021/821 (the "**EU Dual-Use Regulation**")) to any person in Russia or for use in Russia was limited to circumstances where those items were or may have been intended (in their entirety or in part) for military use, a military end-user or for use by an entity listed in Annex IV of the EU existing Russia-related Sanctions.

However, under EU Reg 2022/328, the scope of this prohibition has been widened such that it is generally prohibited to sell, supply, transfer or export dual-use goods and technology to any person in Russia or for use in Russia. In addition, it is prohibited to:

- provide technical assistance, brokering services or other services related to dual-use goods and technology, including in relation to their manufacture, maintenance and use; and
- provide financing or financial assistance related to dual-use goods and technology, including in relation to their sale, supply, transfer or export, the provision of technical assistance, brokering services or other services.

The EU has provided a number of expressly stated that the prohibitions concerning dual-use goods and technology does not apply to such exports for non-military and non-military end-users that are for:

- a) humanitarian purposes;
- b) medical or pharmaceutical purposes;
- c) the temporary export of items for use by new media;
- d) software updates;
- e) use as consumer communication devices;



- f) ensuring cyber-security and information security for natural and legal persons, entities and bodies in Russia except for its government and undertakings directly or indirectly controlled by the Russian Government; or
- g) personal use of natural persons travelling to Russia or members of their immediate family travelling with them, and limited to personal effects, household effects, vehicles or tools of trade owned by those individuals and not intended for sale.

Please note that the carve for these categories of items do not negate any authorisation requirements provided for under the EU Dual-Use Regulation and in certain circumstances additional customs requirements might need to be complied with in order to benefit from the carve out.

In addition, the EU has provided that a licence may be granted (authorising otherwise prohibited activities concerning dual-use goods and technology) by the relevant competent authority in certain circumstances, including:

- a number of strictly civilian and safety related instances for example intergovernmental co-operation in space programmes or intended for civilian telecommunications networks including the provision of internet services;
- where the exclusive use will be by entities owned solely or jointly controlled by a person which is incorporated under the laws of a Member State or 'partner country'¹; and
- where the otherwise prohibited activities are due under a contract concluded before 26 February 2022, or ancillary contracts necessary for the execution of such a contract, provided that authorisation is requested before 1 May 2022.

¹

'Partner Country' means a country applying a set of export control measures substantially equivalent to those set out in EU Reg 2022/328 as listed in Annex VIII. At the time of publication, the EU has only listed the United States of America as a 'Partner Country'.



Military or Technological Enhancement

The prohibitions concerning the supply of dual-use goods and technology to specified entities listed in Annex IV to the EU Existing Russia-related Sanctions has been exponentially widened under EU Reg 2022/328.

It is now prohibited to sell, supply, transfer or export directly or indirectly, goods and technology which might contribute to Russia's military and technological enhancement, or the development of the defence and security sector as listed in Annex VII to any person in Russia or for use in Russia. Such prohibitions also extend to:

- providing technical assistance, brokering services or other services related to the goods and technology listed in Annex VII; and
- providing financing or financial assistance related to the goods and technology listed in Annex VII.

This means that even if your goods are not controlled by virtue of being listed in Annex I of the EU Dual-Use Regulation, they may still nonetheless be restricted if they are listed in Annex VII.

The EU has maintained stricter controls in respect of those entities that are listed in Annex IV² as authorities may only grant authorisations for transactions that would otherwise be prohibited under the dual-use and military or technological enhancement restrictions where they have determined that:

- the provision of prohibited activities are necessary for the urgent prevention or mitigation of an event likely to have a serious and significant impact on human health and safety or the environment; or
- the provision of such otherwise prohibited activities are due under contracts concluded before 26 February 2022, or ancillary contracts necessary for the execution of such a contract, provided that the authorisation is requested before 1 May 2022.

²

Please note that the EU has significantly extended the list of entities designated in Annex IV, please review the updated list of entities and be mindful of this in your dealings.



The carve outs to the Military or Technological Enhancements controls and licence authorisations are the same as those provided for under the dual-use goods restrictions.

Oil Refining

It is prohibited to sell, supply, transfer or export, directly or indirectly, goods and technology suited for use in oil refining as listed in Annex X to any person in Russia or for use in Russia. The prohibitions in respect of oil refining goods and technology also extend to prohibitions on:

- providing technical assistance, brokering services or other services related to the goods and technology in Annex X;
- providing financing or financial assistance related to the goods and technology in Annex X.

The EU has provided for 'grandfathering' until 27 May 2022, under which the prohibitions do not apply to the execution of contracts concluded before 26 February 2022, or ancillary contracts necessary for the execution of such contracts. In addition, certain limited exceptions are available where a licence can be obtained (e.g. to prevent a serious and significant impact on human health and safety or the environment).

Aviation and Space-related

It is prohibited to sell, supply, transfer or export, directly or indirectly, goods and technology suited for use in the aviation or space industry as listed in Annex XI³ to any person in Russia or for use in Russia. The following prohibitions also apply to goods and technology listed in Annex XI:

- providing insurance and re-insurance, directly or indirectly;
- providing any one or any combination of the following activities:
 - overhaul
 - repair

³

Please note that Annex XI includes all products of Heading 88 *Aircraft, spacecraft and parts thereof*.



- inspection
 - replacement
 - modification or defect rectification of an aircraft or component with the exception of pre-flight inspection
- providing technical assistance, brokering services or other services in respect of Annex XI goods and technology, as well as in relation to the manufacture, maintenance and use of such goods; and
- providing financing or financial assistance.

Again, the EU has provided for 'grandfathering' in respect of the above prohibitions and therefore the prohibitions do not apply to the execution of contracts concluded before 26 February 2022, or ancillary contracts necessary for the execution of such contracts, until 28 March 2022.

Further restrictions expected

In addition to those measures presented by the EU, UK, US and UK on 26 February 2022, on 27 February 2022, the European Commission issued a statement confirming it was adopting further measures to respond to the situation in Ukraine which includes:

- shutting down EU airspace for Russians by proposing a prohibition on all Russian-owned, Russian registered or Russian-controlled aircraft. This would apply to any plane owned, chartered or otherwise controlled by a Russian legal or natural person;
- developing tools to limit the spread of disinformation in the EU by Russia Today, Sputnik and their subsidiaries;
- imposing a new package of sanctions in respect of the Lukashenko regime which targets key sectors of the Belarus economy including mineral fuels, tobacco, wood and timber, cement, iron and steel; and
- expanding the export restrictions already in place in respect of dual-use goods for Russia to address circumvention risks.



United States

Further to the measures already imposed by the US (see our previous briefings from [23 February](#) and [25 February](#)), on 25 February 2022, in coordination with the UK, EU and other allies, the US added the following Russian nationals to the Specially Designated Nationals And Blocked Persons List:

- **Vladimir Vladimirovich Putin**, the President of the Russian Federation and the head of Russia's Security Council. As President, Putin is the Commander-in-Chief of the Russian Armed Forces currently undertaking the invasion of Ukraine;
- **Sergei Victorovich Lavrov**, the Minister of Foreign Affairs of the Russian Federation and a permanent member of Russia's Security Council;
- **Sergei Shoigu**, the Minister of Defense of the Russian Federation; and
- **Valery Gerasimov**, First Deputy Minister of Defense, and General of the Army.

In addition, any entities that are owned, directly or indirectly, 50 percent or more by one or more blocked persons are also blocked.



Other Jurisdictions

In addition to the UK, EU and US sanctions, there are reports of other jurisdictions announcing their own sanctions and related restrictions.

Australia

There are reports that:

- travel bans and financial sanctions have been imposed against President Vladimir Putin, in addition to the Russian Foreign Minister, the Defence Minister, the Prime Minister and the Internal Affairs Minister;
- financial sanctions have been imposed on Russian banks and on about 350 Russian citizens;
- Australia's investment fund has announced it will begin "winding down" and selling its holdings in Russian companies.

Japan

- The US Department of State issued a press statement on 27 February 2022 confirming that the US Secretary of State has spoken with the Japanese Foreign Minister and their G-7 counterparts and have together reaffirmed that they are fully aligned to defend and preserve the freedom and sovereignty of Ukraine and all states.
- Japan has announced that it will join the US, EU and UK on plans to cut off some Russian banks from the SWIFT financial network and will also impose sanctions on Russian officials including Vladimir Putin.
- Japan has also announced that it will provide \$100 million in humanitarian aid to Ukraine.

Switzerland

- On 27 August 2014, the Swiss Federal council issued the Ordinance instituting measures to prevent the circumvention of international sanctions in connection with the situation in Ukraine (SR 946.231.176.72; the "Ordinance"). This Ordinance was adopted based on the Swiss Federal Act on the Implementation of International Sanctions (SR 946.231) that allows to impose measures to enforce sanctions adopted by Switzerland's most "important trade partners" and against the background of the EU sanctions against Russia (Council Regulation (EU) No 833/2014 of 31 July 2014).



- The Ordinance broadly follows the EU sanction regime. Switzerland did not implement US sanctions.
- On 22 February 2022, the Swiss government stated that it wished to ensure that Switzerland will not be used as a platform to circumvent sanctions imposed by the EU.
- On 25 February the Swiss government amended Annex 3 of the Ordinance which lists the companies and persons with whom, as per article 8 and 9 of the Ordinance, banks and other financial intermediaries are prohibited from starting a new business relationship (and existing ones must be notified to the Swiss State secretariat for economic affairs, SECO). This new Annex 3 follows the EU list of sanctioned persons and covers in particular the members of the Russian State Duma that voted in favour of the military action in the Ukraine as well as the defence minister and other high ranking officials. This new Annex 3 entered into force on 25 February 2022 at 18:00. However, Switzerland did not order any asset freeze of the companies and persons listed in Annex 3.
- Furthermore, the Swiss government did not amend Annex 2 that lists the banks against which the financing restrictions as per article 5 Ordinance apply (restrictions to raise capital; namely: Sberbank and Gazprombank that both operate banks in Switzerland).
- The Swiss government did not change Annex 4 that lists the target companies affected by the export restrictions as per article 1 of the Ordinance (weapons and dual-use products).

Airspace

- It is reported that many countries including Albania, Moldova, Bulgaria, Romania and Slovenia have also announced that airspace will be closed to Russian flights. This follows action taken by the UK and EU.

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