



New sanctions against Russia

An overview

Dear members of the Confederation of Finnish Industries,

The following overview concerns the ongoing situation in Ukraine. This brief will outline the measures and sanctions taken by the European Union, the United States, and the United Kingdom. Finland will respond to the situation as a part of the EU.

Disclaimer

The information presented in this document is based on public sources. You may find the full list of sources at the end of this document. Please note EK is not affiliated with the providers of the websites and cannot guarantee the accuracy of all information presented therewithin.

1. Summary of current events

EU and several countries have condemned the military aggression by Russian forces on Ukraine. The recent actions by Russia are considered a gross violation of international law and agreements, Ukraine's sovereignty and territorial integrity. According to the High Representative of the Union (reg 2022/260, preamble (8)), violations of international law include breaches to "the UN Charter, Helsinki Final Act, Paris Charter and Budapest Memorandum, as well as of the Minsk Agreements and UN Security Council Resolution 2202 (2015)".

EU and other countries, including the U.S., the UK, Canada, Australia, and Japan, have set sanctions in response to the unilateral actions of Russia. The impact of the first-stage sanctions may be considered moderate. However, their symbolic value is significant, as it proves the EU, together with the west, can operate swiftly in a uniform and coordinated manner. The European Council will organize a special meeting on the 24th of February to discuss, among other topics, further restrictive measures and support to Ukraine and its people. Also, a meeting will be organized by the G7.

2. New sanctions by the European Union

- Find the latest list of EU sanctions (Regulation 2022/259, 23.2.2022) here:
<https://eur-lex.europa.eu/legal-content/FI/TXT/PDF/?uri=OJ:L:2022:042I:FULL&from=FI>
- Sanctions against individuals and entities. Their assets will be frozen in EU, and these individuals are not allowed to travel to or through Europe. In addition, a prohibition is put in place from making funds available to the listed individuals and entities
 - 351 members of the Russian state Duma.
 - 27 entities and individuals.*1 & *2
 - Individuals: Anton Vaino, Sergei Shoigu, Marat Khusnullin, Dmitriy Grigorenko, Maxim Reshetnikov, Nikolay Yevmenov, Vladimir Kasatonov, Igor Osipov, Oleg Salyukov, Sergei Surovikin, Sergey Vladimirovich Dronov, Violetta Prigozhina, Lyubov Valentinovna Prigozhina, Denis Bortnikov, Andrei Leonidovich Kostin, Igor Ivanovich Shuvalov, Margarita Simonyan, Maria Zakharova, Vladimir Solovyev, Konstantin Knyrik, Aleksey Konstantinovich Pushkov, Pyotr Tolstoy
 - Entities: Internet Research Agency, Bank Rossiya, Promsvyazban, VEB.RF (Vnesheconombank)



- A sectoral prohibition to finance the Russian Federation, its government, and Central Bank. Russian access to the EU's capital and financial services markets will be restricted.
- Bans on trade with the so-called People's Republics of Luhansk and Donetsk (Council regulation 2022/263). The bans include, for example, import ban on goods, restrictions on trade and investments related to certain economic sectors, prohibition to supply tourism services, and an export ban on certain technologies and goods.
- Germany halted the Nord Stream 2 Baltic Sea gas pipeline project.
- The measures of EU will enter into force immediately.

3. New sanctions by the United States

- Find information about the latest U.S. sanctions here: <https://home.treasury.gov/news/press-releases/jy0602> and https://home.treasury.gov/policy-issues/financial-sanctions/recent-actions/20220221_33
- Sanctions against financial institutions. They are subject to asset freeze and US businesses and individuals are now prohibited from conducting business with them.
 - Promsvyazbank and VEB bank, along 42 of their subsidiaries.
- Sanctions against individuals and their family members.
 - Aleksandr Bortnikov, Denis Aleksandrovich Bortnikov, Sergei Kiriyenko, Vladimir Sergeevich Kiriyenko and Petr Fradkov.
- Sovereign debt restrictions of Russia. The U.S. has "expanded sovereign debt prohibitions restricting U.S. individuals and firms 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."*3

4. New sanctions by the United Kingdom

- Find the latest asset freeze targets by the UK here: <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets>
- Sanctions against entities and individuals. They are a subject to asset freeze.
 - Financial institutions: Bank Rossiya, Black Sea Bank for development and reconstruction, Joint Stock Company (JSC) Genbank, IS Bank and Promsvyazbank.
 - Individuals: Gennadiy Timchenko, Igor Rotenberg and Boris Rotenberg.
- Preventing Russia from issuing sovereign debt on UK markets.



For additional information

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Links

An informative event on sanctions - how to prepare? An event by EK, 16.02.2022.

<https://www.youtube.com/watch?v=921oONyPSts>

Presentation materials

https://ssl.eventilla.com/filebrowser/file?h=xOvWb&f=20220217141945_f0f124a764e3b75977750ad85ce83c62.pdf

Elinkeinoelämä huolissaan Ukrainan tilanteesta – yritysten varautumistoimet tarpeellisia, Elinkeinoelämän keskusliitto, 15.2.2022.

<https://ek.fi/ajankohtaista/tiedotteet/elinkeinoelama-huolissaan-ukrainan-tilanteesta-yritysten-varautumistoimet-tarpeellisia/>

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<https://www.consilium.europa.eu/en/meetings/european-council/2022/02/24/>

*1 & *2 OJ L42I, Council regulation (EU) 2022/259, 23.2.2022

<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2022:042I:FULL&from=EN>

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HM Treasury and Office of Financial Sanctions Implementation, 22.2.2022.

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U.S. sources:

Statement by President Biden on Nord Stream 2, the White House, 23.2.2022.

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U.S. Treasury Imposes Immediate Economic Costs in Response to Actions in the Donetsk and Luhansk Regions, U.S. Department of the treasury, 22.2.2022.

<https://home.treasury.gov/news/press-releases/jy0602>

*3 Fact Sheet: United States Imposes First Tranche of Swift and Severe Costs on Russia, The White House, 22.2.2022.

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Australia's response to Russia's aggression against Ukraine, The Hon. Scott Morrison MP, Prime Minister, 23.2.2022.

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Japan

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