

# CLIENT UPDATE

## EU EXPANDS SANCTIONS AGAINST RUSSIA

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In our Client Updates of [March 7](#), [March 13](#), [March 18](#) and [March 20](#), we reported that the United States and European Union had imposed asset freezes and visa bans on certain Russian, Crimean and former Ukrainian government officials in connection with the crisis in Ukraine. Today, the European Union expanded its sanctions, adding a further 12 individuals to its list of designated persons. The individuals affected are political figures from Crimea and Russia and individual members of the Russian military who the EU has identified as being responsible for “undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.”<sup>1</sup> This brings the total number of designations pursuant to the EU’s March 17 regulation<sup>2</sup> to 33. No companies have been designated.

As discussed in our earlier Client Updates, the EU sanctions prohibit EU persons, which includes persons within the EU as well as EU nationals anywhere in the world, from dealing in funds or economic resources that belong to or are controlled or held by the listed individuals. Moreover, EU persons are also prohibited from making funds or economic resources available to the listed individuals, whether directly or indirectly.

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<sup>1</sup> The newly designated individuals are Dmitry Olegovich Rogozin, Sergey Glazyev, Valentina Ivanova Matviyenko, Sergei Evgenevich Naryshkin, Dmitry Konstantinovich Kiselyov, Alexander Mihailovich Nosatov, Valery Vladimirovich Kulikov, Vladislav Yurievich Surkov, Mikhail Malyshev, Valery Medvedev, Lt. Gen. Igor Turchenyuk and Elena Borisovna Mizulina.

<sup>2</sup> Council Regulation (EU) No. 269/2014 of 17 March 2014, 2014 O.J. L 78/6.

The new listings are immediately effective across all EU Member States.

## **UK DEVELOPMENTS**

In addition to EU-wide sanctions, some actions have also been taken by Member States. On March 18, for example, the UK suspended all licences and applications for direct export to Russia of military or dual-use items destined for units of the Russian armed forces or other state agencies which “could be or are being deployed against Ukraine”. The UK will also suspend licences for export to third countries of such goods intended for re-export to Russia.

## **POSSIBLE FURTHER EU SANCTIONS**

In addition to announcing expanded sanctions, the Council stated that it had decided to cancel the next EU-Russia Summit, would not hold bilateral regular summits with Russia for the time being, and would support the suspension of negotiations over Russia’s joining the Organisation for Economic Co-operation and Development and the International Energy Agency.

The EU has also made clear that it is considering imposing further sanctions, stating: “The European Council recalls that any further steps by the Russian Federation to destabilise the situation in Ukraine would lead to additional and far reaching consequences for relations in a broad range of economic areas between the European Union and its Member States, on the one hand, and the Russian Federation, on the other hand. In this respect, the European Council asks the Commission and the Member States to prepare possible targeted measures.”

We will continue to provide updates as the situation develops.

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Please do not hesitate to contact us with any questions.

March 21, 2014