

Client Update

EU Extends Ukraine-Related Sanctions

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The EU has extended the economic sanctions imposed in the middle of 2014 on Russia in response to the ongoing situation in Crimea and Sevastopol. This includes the so-called “sectoral sanctions” and restrictions on dealing with Crimea.

On June 22, pursuant to Council Decision (CFSP) 2015/971, the Council of the European Union stated that it had agreed to extend the sectoral sanctions first introduced on July 31, 2014 for an additional six months. The measures will now remain effective until January 31, 2016 and include:

- A prohibition on long-term loans and credits to, and severe restrictions on dealing with long-term financial instruments issued by, the largest Russian state-owned banks, energy companies and defence companies;
- An embargo on the import and export of arms and related material to and from Russia;
- A prohibition on the export of dual-use goods and technology for military use in Russia; and
- A ban on the provision of key technologies or services necessary for shale oil projects and deep water or arctic oil exploration and production, including drilling and well testing.

On June 19, pursuant to Council Decision (CFSP) 2015/959, the Council extended by one year the restrictions on dealing with Crimea or Sevastopol first introduced on June 23, 2014. The measures will now remain effective until June 23, 2016 and include the following prohibitions:

- The import of products into the EU, originating from either Crimea or Sevastopol.

- Most types of investment in Crimea or Sevastopol, with the effect that no EU individual or EU-based company can purchase real estate or entities in Crimea, provide finance to Crimean companies or supply related services.
- The provision of tourism services, except in case of emergency, in Crimea or Sevastopol.
- The export of a wide list of goods and technologies to Crimean persons, or for use in Crimea. The prohibition also includes a ban on the provision of technical assistance, brokering, construction or engineering services related to infrastructure in transport, telecommunications and energy.

In response, a spokesperson for Russia's President Vladimir Putin stated that Russia would "act on the principle of reciprocity". It is expected therefore that Russia's ban on the import of certain agricultural products from the EU will also be extended.

Earlier this month, leaders at the G7 Summit stated that "the duration of sanctions should be clearly linked to Russia's complete implementation of the Minsk agreements and respect for Ukraine's sovereignty". The leaders added that they "stand ready to take further restrictive measures in order to increase cost on Russia should its actions so require". We will continue to update you as the situation develops.

For further information on these measures, please see our Client Updates of [June 27](#), [July 17](#), [July 31](#), [September 15, 2014](#) and [January 8, 2015](#).

For email updates on sanctions developments, please subscribe to the Debevoise & Plimpton LLP Sanctions Alert, a free, semi-monthly e-mail summary of developments in the area of economic and trade sanctions in the United States, the European Union and around the world. To subscribe, please e-mail sanctions@debevoise.com with a request to be added to the Sanctions Alert mailing list or sign up [here](#). The Firm's sanctions-related publications can also be found on [The Sanctions Resource](#).

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