



Third anniversary of Russia's invasion of Ukraine: new sanctions adopted by the European Union and the United Kingdom

As foreshadowed in our alert dated 14 February 2024 ([available here](#)), the European Union and the United Kingdom marked the third anniversary of Russia's invasion of Ukraine by imposing a new round of sanctions on Russia. For the European Union, this marks the 16th sanctions package against Russia, while for the UK, it represents the largest sanctions package since 2022. Below, we provide an overview of the key changes that may affect your business.

16TH EU RUSSIA SANCTIONS PACKAGE

The EU's 16th sanctions package against Russia was published in the Official Journal on 24 February 2024 (please see the European Commission press release [here](#) and Q&A [here](#)). The update consists of the following legislative acts:

- **EU trade sanctions:** [Council Regulation \(EU\) 2025/395](#) of 24 February 2025 amending [Regulation \(EU\) No 833/2014](#) concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine ("Regulation (EU) 2025/395");
- **EU targeted sanctions:** [Council Regulation \(EU\) 2025/390](#) of 24 February 2025 amending [Regulation \(EU\) No 269/2014](#) concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine ("Regulation 2025/390"), and [Council Implementing Regulation \(EU\) 2025/389](#) of 24 February 2025 implementing Regulation (EU) 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial sovereignty and independence of Ukraine ("**Implementing Regulation 2025/389**").

With respect to the amendments to [EU trade sanctions](#) against Russia, we highlight the following key changes:

- **New export, import and transit restrictions:** the 16th sanctions package introduces:
 - additional **export restrictions** on, for example, video game equipment and flight simulators, chromium ores and compounds, and broader categories of paper products as well as safety glass. For certain newly added products, the export restrictions will only apply after a 3-month phasing-in period for existing contracts;
 - an **import ban** on primary aluminium from Russia. The import ban has a one-year, phase-in period with a quota of "necessary" imports of 275,000 metric tonnes exempt for this period (which equates to 80% of EU imports in 2024), and
 - additional **transit restrictions** on, for example, certain flat-rolled products of alloy steel, certain machine tools, and certain automotive parts and accessories.
- **Self-standing prohibition on selling or exporting dual-use or advanced goods and technologies included in Annex VII to Regulation 833/2014 to persons and entities listed in Annex IV to Regulation 833/2014:** Annex IV includes persons and entities providing support to Russia's defence operations. Previously, inclusion in this annex only limited the possibility of obtaining an authorisation from national competent authorities under derogation grounds to the export restrictions. However, as of now, it is prohibited to sell or export dual-use goods or advanced

goods and technologies included in Annex VII to Regulation 833/2014 to persons and entities listed in Annex IV. Additionally, the 16th sanctions package expands Annex IV by adding 53 new entities, including certain entities based in India, China, Hong Kong, Türkiye, Uzbekistan, Kazakhstan, and the United Arab Emirates.

- **Energy-related measures:** contrary to expectations, the 16th sanctions package does not contain an import ban on Russian LNG. However, the package contains several other new energy-related restrictions. Specifically, the European Union now prohibits the **temporary storage** or the placement under free zone procedure of Russian crude oil or petroleum products in EU ports, irrespective of the purchase price or final destination of the goods. Additionally, new restrictions are introduced on the provision of **software related to oil and gas exploration**.
- **Measures related to Russian vessels and ports:** the 16th sanctions package added 74 ageing oil tankers to its list of vessels belonging to Russia's so-called "**shadow fleet**", banning such vessels from, inter alia, accessing EU ports. Additionally, the package introduces a **full transaction ban with certain Russian ports and airports** (subject to certain exemptions) that are used to transport drones and other combat-related goods or to circumvent the G7 Oil Price Cap. This includes two Moscow airports (Vnukovo Airport and Zhukovskiy Airport), four regional airports, and the ports of Astrakhan, Makhachkala, Ust-Luga, Primorsk, and Novorossiysk. The restriction prohibits EU persons from engaging in any transactions, directly or indirectly, with the specified ports and airports and is effective immediately with no wind-down period for pre-existing contracts.
- **Expansion of the horizontal services prohibition:** the 16th sanctions package also expands the horizontal services ban to include a ban on the provision of **construction services** to the Russian government and Russian legal entities. Additionally, the package prohibits EU operators from selling, licensing or transferring **IP rights or trade secrets** related to restricted software to the Russian government and Russian legal entities.
- **Strengthened restrictions on the Russian financial sector:** the 16th sanctions package strengthens EU restrictions on the Russian financial sector by: (i) adding 13 financial institutions to the list of entities subject to the prohibition to provide specialised financial messaging services, i.e., the SWIFT ban; (ii) subjecting 3 new Russian financial institutions to the transaction ban due to their use of the Financial Messaging System of the Central Bank of Russia system to circumvent EU sanctions, and (iii) extending the transaction ban to enable the European Union to list financial institutions and crypto asset providers that participate in the circumvention of the G7 Oil Price Cap and facilitate transactions with listed vessels of the shadow fleet.

As for the EU's targeted sanctions against Russia, we emphasise the following key amendments:

- **New listings of 48 individuals and 35 entities:** Implementing Regulation 2025/389 adds 48 individuals and 35 entities to Annex I of Regulation 269/2014, i.e., the list of persons and entities subject to EU targeted sanctions against Russia. In particular, the new listings include individuals and entities supporting Russia's military complex, active in sanctions circumvention, in Russian crypto assets exchanges or in the maritime sector.
- **New criteria for listing:** the 16th sanctions package adds two additional criteria for the listing of individuals and entities, targeting respectively those who supported the operations of Russia's so-called shadow fleet, and those that are part of Russia's military and industrial complex, support it, or benefit from it.
- **Extension of "best efforts obligations" to EU targeted sanctions:** the 16th sanctions package introduces an obligation on EU operators to apply their "best efforts" to ensure that any non-EU legal entity that they own or control does not participate in activities that undermine the EU targeted sanctions regime. A similar "best efforts" obligation was already introduced in Regulation 833/2014 by the 14th EU sanctions package.

Additionally, we emphasise that alongside the 16th EU sanctions package against Russia, the EU has also reinforced its sanctions regime concerning Belarus (see [here](#)), Crimea and Sevastopol (see [here](#)), and the non-government-controlled areas of Donetsk, Kherson, Luhansk, and Zaporizhzhia oblasts (see [here](#)). These measures update existing sanctions, close loopholes that enable circumvention, and further align them with the EU's broader sanctions framework against Russia.

NEW UK SANCTIONS AGAINST RUSSIA

On the UK side, 107 additional entities, individuals and ships have been listed under the UK Russia (Sanctions) (EU Exit) Regulations 2019, making it the largest UK sanctions package against Russia since 2022. Please see the UK Government's press release, as well as the full list of newly sanctioned persons and entities [here](#).

The new listings include:

- certain Russian state-owned entities and importers of dual-use goods, involved in the Russian defence sector;
- certain third-country producers and suppliers of machine tools, electronics and dual-use goods supporting or enabling Russia's defence industry. The newly listed entities are based in, among other countries, certain Central Asian states, Turkey, Thailand, India and China;
- OJSC Keremet Bank, which is a financial entity based in Kyrgyzstan. OJSC Keremet Bank's listing marks the first time that the United Kingdom lists a financial institution in a third country that has supported Russia's war efforts;
- certain individuals and entities involved in one or more sectors of strategic significance to the Russian Government, and
- 40 additional vessels belonging to Russia's so-called "shadow fleet".

Please do not hesitate to contact us if you have any further questions or concerns related to the above.

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