

On 23 June 2023, a new round of EU Russia-related sanctions was published. The 11th package is designed to ensure that the EU sanctions targeting Russia are enforced and implemented more effectively.

The EU aims to strengthen its sanctions and target loopholes to ensure that goods and technology vital to Moscow's war effort do not reach Russia via countries that trade with the EU. Under the new package, measures restrict the export of strategic goods and technology to third countries, which could then transfer them to Russia.

With its new measures, the EU intends to exert more pressure on countries deemed to be helping Russia, and tackle circumvention.

Further, over 100 additional individuals and entities have been added to the lists of natural and legal persons subject to an asset freeze.

Trade Measures

The new package of sanctions includes the implementation of a new "anti-circumvention tool". Based on this "tool", the EU will restrict the sale, supply, transfer or export of specified sanctioned goods and technology¹ to certain third countries whose jurisdictions are considered to be at continued and particularly high risk of circumvention. It will be an exceptional and last-resort measure when other individual measures and outreach by the EU to concerned third countries have been insufficient to prevent circumvention.

The provision of technical assistance, brokering services or other services related to the goods and technology referred to in the preceding paragraph, or to the provision, manufacture, maintenance and use of such goods and technology is also prohibited.

Moreover, the financing or provision of financial assistance related to the above is also prohibited.

Finally, a ban on selling, licensing, transferring, or assigning intellectual property rights and trade secrets used in connection with restricted goods is also included to prevent the sanctioned goods from being manufactured outside the EU.

Further relevant measures concerning trade include the following:

- Extension of the transit prohibition for certain sensitive goods (e.g. advanced technology and aviation-related materials) exported from the EU to third countries, via Russia.
- 87 new entities are added to the list of those directly supporting the Russian Federation's military and industrial complex in its war against Ukraine. These entities are subject to tighter export restrictions for dual-use and advanced technology items. In addition to the Russian and Iranian entities already listed, this now also covers entities registered in China, Uzbekistan, the United Arab Emirates, Syria and Armenia.
- Tightening restrictions on imports of iron and steel goods, extension of the ban on exporting certain vehicles, and a full ban on certain types of machinery components.
- Restrictions on the exports of a further 15 technological items that could contribute to the technological enhancement of the Russian Federation's defence and security sector.

¹ This provision shall only cover sensitive dual-use goods and technology, or goods and technology that could contribute to the improvement of Russia's military, technological or industrial capabilities or to the development of Russia's defence and security sector, the export of which to Russia is prohibited under this regulation and which present a high and continuous risk of being sold, supplied, transferred or exported from third countries to Russia after having been sold, supplied, transferred or exported from the EU. Thus, for each listed product or technology, the third countries to which the sale, supply, transfer, or export is prohibited will be specified. Only third countries that have been identified by the council as having systematically and persistently failed to prevent the sale, supply, transfer, or export to Russia of the goods and technology listed in that annex, exported from the EU, shall be included.

Transport Measures

The following restrictions are added to the existing EU sanctions targeting the field of transport:

- A full ban on trucks with Russian trailers and semi-trailers from transporting goods to the EU.
- A prohibition of access to EU ports in the following cases:
 - For vessels that engage in ship-to-ship transfers suspected to be in breach of the Russian oil import ban or G7 Coalition price cap.
 - For vessels that do not notify the competent authority at least 48 hours in advance about a ship-to-ship transfer occurring within the exclusive economic zone of a member state or within 12 nautical miles of the baseline of that member state's coast.
 - For vessels that manipulate or turn off their navigation tracking system when transporting Russian oil subject to the oil import ban or G7 price cap.

Energy Measures

The most significant measure concerns the end of the possibility of importing Russian oil by pipeline to Germany and Poland.

Strict and very specific exceptions to the existing export bans are also introduced to allow for the maintenance of the Caspian Pipeline Consortium (CPC)². Furthermore, there is an extension of the derogation from the Sakhalin oil price ceiling for Japan (until 31 March 2024).

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² Pipeline that transports Kazakh oil to the EU via the Russian Federation.