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WHAT WILL 2023 BRING TO KYC AND SANCTIONS?

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AGENDA





OVERVIEW OF EU
SANCTIONS
FRAMEWORK AND
UPDATES

RESTRICTIVE MEASURES: ECONOMIC SANCTIONS ON RUSSIA

BAN ON IMPORT	BAN ON EXPORT	FINANCIAL	SECTORAL
<ul style="list-style-type: none"> • Imports of coal, iron and steel • Cement, rubber products, wood, spirits, liquor, high-end seafood • Gold • Not only with respect to the direct supplier but also the source of the goods (ban on Russian origin) 	<ul style="list-style-type: none"> • Exports of goods contributing to the enhancement of Russian industrial capacities • Goods for use in the oil industry • Dual-use goods as well as advanced technology items that can contribute to Russia's defense and security capabilities • Maritime navigation goods • Luxury goods 	<ul style="list-style-type: none"> • Financing of the Russian government • Restriction of access to capital markets • Financing restrictions • Restrictions to accept deposits • Prohibitions to exchange financial data (SWIFT) • Prohibitions on euro • High-value crypto services and trust services 	<ul style="list-style-type: none"> • New investments in the energy sector • Transport – aviation sector, freight operations and ports

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ADDITIONAL LISTINGS

about 120 individuals and entities, including Russian decision-makers, senior government officials and military leaders complicit in the war against Ukraine, as well as proxy authorities installed by Russia in the occupied territories in Ukraine, among others

ADDITIONAL EU EXPORT BANS AND RESTRICTIONS

on sensitive dual-use and advanced technologies that contribute to Russia's military capabilities and technological enhancement

ADDITIONAL IMPORTS BANS INTO THE EU

imposes import bans on the following Russian high-revenue goods:

- bitumen and related materials like asphalt; and
- synthetic rubber and carbon blacks.



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FINANCIAL SECTOR

- Three Russian banks have been added to the list of entities subject to the asset freeze and the prohibition to make funds and economic resources available.

OTHER MEASURES:

- A ban on Russian nationals from serving on governing bodies of Member States' critical infrastructure companies;
- Prohibition on Russian nationals and entities to book gas storage capacity in the Union (LNG excluded);

- Measures to facilitate the divestment from Russia by EU operators;
- A third country shipping company, suspected of helping Russia circumvent sanctions on oil exports, has also been listed.

ENFORCEMENT AND ANTI-CIRCUMVENTION MEASURES

- New reporting obligations on Russian Central Bank assets. Possible use of public Russian assets to fund the reconstruction of Ukraine after Russia is defeated.

OTHER MEASURES INCLUDE THE FOLLOWING:

- reporting obligations on frozen assets (including for dealings before listings) and assets which should be frozen;
- Private flights between the EU and Russia, directly or via third countries, should be notified in advance;
- Prohibition to transit dual use goods and firearms via the territory of Russia to third countries.

LIABILITY

- Binding on EU nationals in any location, on companies and organizations incorporated under the law of a Member State, any person or entity within the EU
- Sanctions evasion (e.g., hiding of the origin of the good)
- Criminal versus administrative liability

- UN and EU sanctions: www.sanctionsmap.eu
- US OFAC sanctions: <https://sanctionssearch.ofac.treas.gov/>
- UN, ES and national sanctions: <https://sankcijas.fid.gov.lv/>

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