

Client Alert

International Trade

21 March 2014

EU adds 12 individuals (politicians, military and one journalist) to Ukraine sanctions, more sanctions may follow



I. Introduction

As a further response to recent developments in Crimea, the EU today added another 12 names to the existing list of individuals in Russia and Crimea subject to a visa ban and asset freeze. These restrictions were published in Regulation 284/2014 in the Official Journal of the EU on 21 March 2014 and entered into force on the same day.¹

In addition, the EU has stated that far-reaching sanctions measures against Russia would be forthcoming in response to any further steps by Russia to destabilize the situation in Ukraine.

II. Scope of the Sanctions

Based on conclusions issued by the European Council late Thursday, 20 March 2014,² the EU has expanded the list of individuals subject to a visa ban and asset freeze in response to the deemed illegal annexation of Crimea and Sevastopol. On 21 March 2014, the existing EU asset freeze list of persons in Russia and Crimea was expanded from 21 persons (see our alert from 17 March 2014 describing those measures [here](#)) to 33 persons. The **12 persons designated effective 21 March 2014** are as follows:

1. Dmitry Olegovich Rogozin (*Deputy Prime Minister of Russia*)
2. Sergey Glazyev (*Adviser to President Putin*)
3. Valentina Ivanova Matviyenko (*Speaker of the Federation Council*)
4. Sergei Evgenevich Naryshkin (*Speaker of the State Duma*)
5. Dmitry Konstantinovich Kiselyov (*Head of the Federal State news agency "Rossiya Segodnya"*)
6. Alexander Mihailovich Nosatov (*Deputy-Commander of the Black Sea Fleet*)
7. Valery Vladimirovich Kulikov (*Deputy-Commander of the Black Sea Fleet*)
8. Vladislav Yurievich Surkov (*Aide to President Putin*)
9. Mikhail Malyshev (*Chair of the Crimea Electoral Commission*)
10. Valery Medvedev (*Chair of the Crimea Electoral Commission*)

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¹ See [Council Regulation 284/2014](#).

² See [Council Conclusions on Ukraine](#) of 20 March 2014.

11. Lt. Gen. Igor Turchenyuk (*Commander of the Russian forces in Crimea*)

12. Elena Borisovna Mizulina (*Deputy in the State Duma*)

As a result of this asset freeze, all funds and economic resources belonging to, or controlled by, the listed persons and that fall under EU jurisdiction (e.g., held by EU banks) will be frozen. Furthermore, *no funds or economic resources may be made available – directly or indirectly – to or for the benefit of the listed persons by parties falling under EU jurisdiction.*

Member States can authorise derogations from the asset freeze in certain limited circumstances. There are two notable situations (in addition to the standard provisions relating to the basic needs, legal services, etc.): first, where release of funds is to satisfy a court or arbitral decision that predates the asset freeze, where the beneficiary is not the listed person (Article 5 of Regulation 269/2014), and second, where a payment by a listed party is due under a contract that pre-dates the asset freeze, provided the payment does not benefit that listed party (Article 6 of Regulation 269/2014).

These sanctions apply to the **EU territory** (including its airspace), **nationals of EU Member States** (including those located outside the EU), and **on board vessels and aircraft under Member State jurisdiction**. Sanctions further apply to **companies incorporated or registered under the law of an EU Member State** and **to other non-EU companies in respect of business done in whole or in part in the EU**. This means that non-EU companies can be covered by the newly adopted measures, depending on the particular circumstances under which they perform their business activities in the EU.

With respect to potential further expansion of EU sanctions against Russia, the European Council promised in its statement of 20 March 2014 that sanctions measures “in a broad range of economic areas” would be forthcoming in the event Russia takes any further steps to destabilize the situation in Ukraine. Work by the Commission and Member States on such possible sanctions measures is currently ongoing, and the timeline is uncertain. On 21 March 2014, the EU also signed the political provisions of the EU-Ukraine Association Agreement.³

An alert describing the first wave of US sanctions measures against Russia introduced on 17 March 2014 can be accessed [here](#). In addition, on 20 March 2014, the United States issued a second wave of designations (covering 20 individuals, including prominent businessmen, and one bank, Bank Rossiya) under Executive Order 13661 published on 17 March 2014. More information about that is available [here](#).

More information on the EU's sanctions regime against other countries can be found in our latest client alerts on [Iran](#), [Syria and Belarus](#).

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³ See [Statement by President Van Rompuy](#) of 21 March 2014.