

Client Alert

International Trade

29 April 2014

EU adds 15 persons to Ukraine-related asset freeze list and travel ban, but holds off imposing broader economic sanctions



I. Introduction

In response to the most recent developments in the Crimea crisis, the EU Council decided on 28 April 2014 to add **another 15 individuals** to the EU's asset freeze list and travel ban. The names have been published in Council Implementing Regulation 433/2014 today, and entered into force on the same day.¹

The EU has thus chosen to remain in the so-called 'second-stage' sanctions mode in addressing Russian actions deemed to undermine Ukraine's territorial integrity. This does not exclude the EU moving to the third stage of sanctions (i.e., broader economic, trade and financial sanctions) in the near future.

II. Scope of the Sanctions

On 28 April 2014, the Council announced² its decision to add the names of 15 persons to the existing list of 33 individuals, making the list of parties in Russia and Crimea subject to a travel ban and asset freeze in relation to the Crimea crisis feature a total of **48 persons**.³ (This designated parties list is separate from the EU asset freeze list in relation to alleged misappropriation of Ukrainian state funds and human rights violations in Ukraine, which currently features **22 persons**.⁴)

This announcement followed the G-7 statement adopted on 25 April 2014⁵ promising further sanctions in light of the absence of Russian steps to implement the Geneva accord⁶ aimed at stopping separatist actions in Crimea. The new **asset freeze and travel ban takes effect on 29 April 2014 with respect to the following 15 persons:**

1. Dmitry Nikolayevich KOZAK (*Deputy Prime Minister*)
2. Oleg Yevgenyevich BELAVENTSEV (*Plenipotentiary Representative of the President of the Russian Federation into the so called 'Crimean Federal District', Non-permanent member of the Russian Security Council*)
3. Oleg Genrikhovich SAVELYEV (*Minister for Crimean Affairs*)
4. Sergei Ivanovich MENYAILO (*Acting Governor of the city of Sevastopol*)
5. Olga Fedorovna KOVATIDI (*Member of the Russian Federation Council from Crimea*)

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¹ See [Council Implementing Regulation 433/2014](#).

² See [Council Press Release of 28 April 2014](#).

³ As first established on 17 March 2014 through [Council Regulation 269/2014](#) and expanded on 21 March 2014 through [Council Implementing Regulation 284/2014](#) (see also our alert of [21 March 2014](#)).

⁴ As first established on 6 March 2014 through [Council Regulation 208/2014](#) and expanded on 15 April 2014 through [Council Implementing Regulation 381/2014](#) (see also our alert of [15 April 2014](#)).

⁵ See [G-7 Statement on Ukraine of 25 April 2014](#).

⁶ See [Geneva Accord - Joint Statement of 17 April 2014 of the EU, US, Ukraine and Russia](#).

6. Ludmila Ivanovna SHVETSOVA (*Deputy Chairman of State Duma, United Russia*)
7. Sergei Ivanovich NEVEROV (*Deputy Chairman of State Duma, United Russia*)
8. Igor Dmitrievich SERGUN (*Director of GRU (Main Intelligence Directorate), Deputy Chief of the General Staff of the Armed Forces of the Russian Federation, Lieutenant-General*)
9. Valery Vasilevich GERASIMOV (*Chief of the General Staff of the Armed Forces of the Russian Federation, First Deputy Minister of Defence of the Russian Federation, General of the Army*)
10. German PROKOPIV (*Active leader of the 'Lugansk Guard'*)
11. Valeriy BOLOTOV (*One of the leaders of the separatist group 'Army of the South-East' which occupied the building of the Security Service in the Lugansk region, Retired officer*)
12. Andriy PURGIN (*Head of the 'Donetsk Republic', active participant and organiser of separatist actions, co-ordinator of actions of the 'Russian tourists' in Donetsk, co-founder of a 'Civic Initiative of Donbass for the Eurasian Union'*)
13. Denys PUSHYLIN (*One of the leaders of the Donetsk People's Republic, active spokesperson for the separatists*)
14. Tsyplakov Sergey GENNADEVICH (*One of the leaders of ideologically radical organization People's Militia of Donbas*)
15. Igor STRELKOV (Ihor Strielkov) (*Identified as staff of Main Intelligence Directorate of the General Staff of the Armed Forces of the Russian Federation (GRU), assistant on security issues to Sergey Aksionov, self-proclaimed prime-minister of Crimea*)

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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, for example where release of funds is to satisfy a court or arbitral decision that predates the asset freeze and the beneficiary is not the listed person, or 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.

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 also 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 affected as well by the measures, depending on the particular circumstances under which they perform their business activities in the EU.

On 28 April 2014, the **United States also expanded its sanctions against Russia in relation to the Crimea crisis** by adding further individuals and legal entities to its sanctions list and imposing additional export restrictions. More information about that development can be found [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](#) and regular updates on the Crimea crisis can be found at <http://www.whitecase.com/ukraine-news-update/>.

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