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EU sanctions against Russia – 13th sanctions package and other updates

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On 23 February 2024, the European Union adopted and published its [13th package of sanctions against Russia](#), amending and further expanding the EU targeted and trade sanctions imposed against Russia. The 13th sanctions package entered into force on 24 February 2024. [Council Implementing Regulation \(EU\) 2024/753](#) expands the list of persons and entities subject to EU targeted sanctions in Annex I to [Council Regulation \(EU\) 269/2014](#). [Council Regulation \(EU\) 2024/745](#) amends the EU trade sanctions in [Council Regulation \(EU\) 833/2014](#). In addition, the European Commission has recently updated its guidance documents on the new sanctions introduced with the 12th sanctions package against Russia and on conducting due diligence (and sanctions contractual clauses).

EU TARGETED SANCTIONS

The 13th sanctions package adds 194 individuals and entities to Annex I to [Council Regulation \(EU\) 269/2014](#), which lists individuals and entities subject to EU targeted sanctions. EU targeted sanctions entail EU asset freezing restrictions as well as a prohibition on making funds or economic resources available to or for the benefit of listed individuals and entities. A key focus of the new listings are companies and individuals from the Russian military-industrial complex, which manufacture missiles, drones, components for drones, anti-aircraft missile system, military vehicles, high-tech components for weapons and other military equipment. In addition, several Belarusian and North Korean entities have been listed due to their involvement in the shipping of North Korean armaments to Russia. Moreover, the new listings include a Russian logistics company (LLC Novelco) and its director involved in parallel imports of prohibited goods into Russia, and a Russian actor (PSV Technologies LLC) involved in a procurement circumvention scheme.

EU TRADE SANCTIONS

The 13th sanctions package expands the lists of products identified in the Annexes to [Council Regulation \(EU\) 833/2014](#) which may not be sold or exported, directly or indirectly, to Russia or for use in Russia, with a particular focus on components used for the development and production of drones. Specifically, aluminium electrolytic fixed electrical capacitors (excluding power capacitors) classifying under CN code 8532 22 were added to Annex VII. In addition, electronic transformers, static converters and inductors classifying under CN code 8504 were added to Annex XXIII to [Council Regulation \(EU\) 833/2014](#), replacing three sub-categories which were previously listed in Annex XXIII, namely transformers classifying under CN codes 8504 32, 8504 33 and 8504 34.

In addition, the 13th sanctions package expands the list of entities associated to Russia's military-industrial complex in Annex IV to [Council Regulation \(EU\) 833/2014](#). The 13th sanctions package added to Annex IV four companies from China as well as companies from Kazakhstan, India, Serbia, Thailand, Sri Lanka and Türkiye. This is a different list to Annex I to [Council Regulation \(EU\) 269/2014](#). If an end-user is listed in Annex IV to [Council Regulation \(EU\) 833/2014](#), this means that the competent authorities of the Member States may not authorise the otherwise prohibited sale, supply, transfer or export of listed dual-use and advanced technology items or the provision of related services to or for use in Russia under the usual derogation grounds. Instead, only a set of narrower derogation grounds may be used. Where the end-user is listed in Annex IV, the competent authorities of the Member States may only grant an authorisation if the export, sale, transfer etc. or the provision of related services is necessary for the urgent prevention or mitigation of an event likely to have a serious and significant impact on human health and safety or the environment.

Furthermore, the 13th sanctions package adds the United Kingdom to the list of partner countries in Annex XXXVI to [Council Regulation \(EU\) 833/2014](#), in respect of the restrictions on the importation of iron and steel from countries other than Russia. This means that the requirement under Article 3g for EU importers to provide evidence demonstrating the country of origin of the iron and steel inputs incorporated in imported iron and steel products does not apply if the iron and steel products are imported from the United Kingdom.

UPDATED COMMISSION GUIDANCE

In February 2024, the European Commission also published responses to Frequently Asked Questions (“[FAQs](#)”) relating to new sanctions introduced on 18 December 2023 with the 12th sanctions package against Russia ([Council Regulation \(EU\) 2023/2878](#) , [Council Regulation \(EU\) 2023/2873](#) and [Council Implementing Regulation \(EU\) 2023/2875](#)).

First, with respect to the “no re-export to Russia clause”, the European Commission has [clarified](#) that the purpose of Article 12g of Council Regulation (EU) 833/2014 is to turn the best practice of inserting “no re-export to Russia” clauses in export/sale/supply/transfer contracts into an enforceable legal requirement for certain sensitive goods. Notably, the FAQs include a draft “no re-export to Russia” clause which can be considered as meeting the obligation. In addition, the FAQs specify how the obligation is to be enforced, the application of the obligation to existing contracts and the meaning of “adequate remedies”.

Second, concerning the software prohibition in Article 5n(2b) of Council Regulation (EU) 833/2014, which prohibits the sale, supply, transfer, export and provision of software that is listed in Annex XXXIX to the same Regulation directly or indirectly, to the Government of Russia or legal persons or entities established in Russia, the European Commission has [clarified](#) that its purpose is to further hamper Russia’s capacities in its industrial sector by depriving the Russian industry from the latest software developments. The European Commission has interpreted this prohibition broadly to cover both the provision of software in a material form (e.g. saved on a storage medium like a flash drive or printed on an IT support) and intangible form (e.g. download from a cloud, transferred by technology by email) as well as software updates.

Third, the European Commission [has explained](#) the scope of the notification and authorisation requirements of tanker sales under Article 3q of [Council Regulation \(EU\) 833/2014](#) as well as what information should be shared in the notification. To this end, the European Commission HAS also published a [template](#) of the notification of tanker sales to third countries.

Finally, on 19 February 2024, the European Commission amended its [Guidance](#) on due diligence in the context of EU sanctions against Russia. The aim of the guidance is to set out general advice on conducting risk assessments, best practices for conducting due diligence on business partners, transactions and goods, and a list of circumvention red flags. Furthermore, on 22 February 2024, the European Commission also published an updated [list of Common High Priority Items](#). This list, together with the [list of Economically Critical Goods](#), is intended to support due diligence and effective compliance by exporters as well as anti-circumvention activities by customs and enforcement agencies.

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