



Sanctions (Restrictive Measures) Imposed on Russia and Belarus over Ukraine

Guidance for legal practitioners

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About the new EU sanctions

The EU has recently imposed a number of further sanctions on Russia and Belarus on foot of the Russian invasion of Ukraine on 24 February 2022. Sanctions are restrictive measures imposed on individuals or entities in an effort to curtail their activities and to exert pressure and influence on them. These restrictive measures may include, but are not limited to, financial sanctions, trade sanctions, restrictions on travel or civil aviation restrictions.

The Department of Justice has published general guidance on [Sanctions](#). In light of the Russian invasion of Ukraine, the EU has published a range of restrictive measures which apply to hundreds of individuals and entities. A brief summary of the most recent of these restrictive measures is available in the section below entitled: *'What new EU sanctions have been imposed?'*

Purpose of this guidance

This guidance is provided as part of the Legal Service Regulatory Authority's role as the competent authority for all barristers in relation to anti-money laundering obligations, and as part of the LSRA's role in receiving and investigating complaints of alleged misconduct about legal practitioners.

The LSRA has published general guidance in respect of [Barristers' Anti-Money Laundering Obligations](#). In summary, "designated persons" under the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended, are required to apply measures to prevent their businesses from being misused for the purposes of money laundering or terrorist financing, and include barristers who are providing specified services.

The LSRA is the competent authority for all barristers i.e. barristers who are members of the Law Library and barristers who are not members of the Law Library. The role of the LSRA as a competent authority includes effectively monitoring barristers, as designated persons, and taking measures that are reasonably necessary for securing compliance with the provisions of the Act.

Sanctions are considered to be a key tool in the fight against terrorism. They may be relevant to legal practitioners in the context of their obligations under the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended. In accordance with its supervisory functions as the competent authority for barristers, the LSRA must ensure that the obligations arising from the new EU sanctions are communicated appropriately to all barristers.



The LSRA is empowered under the Legal Services Regulation Act 2015 to receive and investigate complaints about legal practitioners – solicitors and barristers. The LSRA handles three types of complaints, namely complaints relating to inadequate legal services, excessive costs, and misconduct. The LSRA has produced guidance on [What You Can Complain About](#). Section 50 of the Legal Services Regulation Act 2015 provides a full list of the acts or omissions that may be considered as misconduct. These include where an act or omission consists of the commission of an arrestable offence and where an act or omission is likely to bring the legal professions into disrepute.

A failure by a legal practitioner to comply with his or her obligations in respect of the new EU sanctions may give rise to a complaint of alleged misconduct to the LSRA under these descriptions of misconduct. The Law Society of Ireland has warned solicitors, in its guidance on the [Sanctions \(Restrictive Measures\) on Russia and Belarus over Ukraine](#), that it is a criminal offence not to comply with the new EU sanctions and that a failure to do so could also result in severe reputational damage.

This guidance is intended to provide general information for legal practitioners and to support and assist legal practitioners in complying with their obligations in respect of the sanctions. **However, it is the responsibility of each individual legal practitioner to comply with their obligations in respect of the sanctions. The information provided here is intended as guidance only, is not exhaustive and does not purport to provide legal advice or a legal interpretation of the sanctions.** Legal practitioners are encouraged to familiarise themselves with their legal obligations in respect of the sanctions and to satisfy themselves that they are in compliance with these obligations.

****This guidance is up-to-date as of 5 May 2022. This is a live document and is subject to change.***

What new EU sanctions have been imposed?

This document sets out details of the recent EU sanctions that have been imposed.

The Department of Finance asks that all entities familiarise themselves with the measures introduced and how they can comply with the sanctions. The relevant Statutory Instruments are, or will be shortly, available on the [Irish Statute Book](#). This guidance provides a list of the relevant legislation in respect of the new EU sanctions in the section entitled: *'Where are the new EU sanctions and the penalties for breaching them to be found?'*

In the section entitled: *'Other resources'* this guidance also identifies a number of websites which should be monitored in case further information on the new EU sanctions becomes available.



Recent EU sanctions (including amendments) are:

On **21 April 2022**, the EU published measures amending the sanctions imposed in relation to Russia and Belarus by imposing restrictive measures on two additional businesspeople - Serhiy Vitaliyovich KURCHENKO and Yevgeniy Viktorovich PRIGOZHIN. EU restrictive measures regarding the undermining of the territorial integrity of Ukraine now apply to a total of 1093 persons and 80 entities.

On **13 April 2022**, the EU published measures amending the sanctions imposed in relation to Russia and Belarus by providing for derogations for humanitarian purposes.

On **8 April 2022**, the EU published a further set of measures in relation to Russia and Belarus. These measures include:

- A prohibition on being a beneficiary, acting as a trustee or in similar capacities for Russian persons and entities, as well as a prohibition on providing certain services to trusts has been introduced;
- An import ban on coal from Russia from 10 August 2022;
- A full transaction ban on four key Russian banks. These four banks will now be fully excluded from the EU market. The banks affected are Otkritie, Novikombank, Sovcombank and VTB;
- A ban on any vessel registered under the flag of Russian from accessing EU ports. This includes yachts and recreational craft. Some derogations are granted for the transport of medical, pharmaceutical, agricultural and food products, humanitarian aid, energy and other products as set out in the Regulations;
- A ban on Russian and Belarusian road transport operators traveling the European Union, Switzerland, EEA and western Balkans, limiting their access to key goods;
- Further targeted export bans on items such as quantum computers and advanced semiconductors, sensitive machinery and transportation equipment;
- Specific new import bans on a range of goods as well closing loopholes between Russia and Belarus. This will be achieved by sanctioning certain individuals and entities used to bypass previous sanctions;
- A €10,000 limit on crypto asset transactions;
- Securities in all EU Member State currencies will now be banned from sale to Russia/Belarus and Russian/Belarusian entities;
- A general EU ban on participation of Russian companies accessing public procurement in Member States;
- An exclusion of all financial support at a national and European Union level to Russian public bodies; and
- Listing of an additional 216 individuals who are Russian, members of 'the People's Council' of the Donetsk and Luhansk breakaway republics as well as 18 new entities. The list also includes Oleg Deripaska and the two daughters of Vladimir Putin.



On **15 March 2022**, the EU published a further set of measures in relation to Russia. These measures include:

- Adding another 15 individuals and 9 entities to the list of those subject to asset freezes and travel bans;
- A ban on credit ratings agencies from providing ratings on Russian Federation debt.
- further trade restrictions concerning iron and steel, as well as luxury goods;
- Expanding the list of persons connected to Russia's defence and industrial base, to apply tighter export restrictions on dual-use goods and technology. A total of 81 persons and entities have been added;
- Prohibitions on new investments in the Russian energy sector and export restrictions on related equipment, technology and services, with the exception of nuclear industry and energy transport;
- A ban on all transactions with certain State-owned enterprises which are already subject to refinancing restrictions. A total of 13 companies are listed;
- A ban on the provision of insurance and reinsurance to any legal person, entity or body operating in the energy sector in Russia; and
- Derogations have been provided for activities necessary for ensuring critical energy supply within the EU, as well as the transport of fossil fuels, in particular coal, oil and natural gas, from or through Russia into the EU; and where humanitarian considerations arise.

On **9 March 2022**, the EU published a further set of measures in relation to Russia and Belarus. These include:

- Introduction of further restrictions on the export of maritime navigation goods and technology;
- Expansion of the list of legal persons, entities and bodies subject to the prohibitions related to investment services, transferable securities, money market instruments, and loans;
- Further clarification (in respect of previous restrictive measures) that “transferable securities” includes crypto-assets;
- Limiting the financial inflows from Belarus to the Union, by prohibiting the acceptance, from Belarusian nationals or residents, of deposits exceeding certain values; the holding of accounts of Belarusian clients by the Union central securities depositories; and the selling of euro-denominated securities to Belarusian clients;
- Exemptions under the sanctions measures, for Swiss, EU and EEA nationals in Belarus, in that deposits exceeding €100,000 can be accepted from them;

- Introduction of clarifications on the exception for the provision of financing for small and medium-sized enterprises, as well as certain provisions in the Annexes, relating to prohibited goods and technology;
- Adding 146 members of the Russian Federation Council to the sanctions list, as those individuals ratified the government decisions of the ‘Treaty of Friendship, Cooperation and Mutual Assistance’ between Russia and the two break-away regions in Donetsk and Luhansk;
- Adding 14 persons to the sanctions list, as they supported and benefited from the Government of the Russian Federation and/or provided substantial revenue to it; or are associated with listed persons or entities;
- Prohibition on the listing and provision of services, on Union trading venues, in relation to shares of Belarus State-owned entities;
- Prohibition on transactions with the Central Bank of Belarus;
- Restrictions on the provision of specialised financial messaging services (SWIFT) to certain Belarusian credit institutions and their Belarusian subsidiaries. These are:
 - Belagroprombank
 - Bank Dabrabyt
 - Development Bank of the Republic of Belarus
- Additional obligations on the Network Manager for air traffic management network functions of the single European Sky, particularly that the Manager rejects all flight plans that violate the Regulations; and
- Further clarification (in respect of previous restrictive measures) that “transferable securities” includes crypto-assets.

On **1-2 March 2022**, the EU published a further set of measures in relation to Russia and Belarus. These include:

- Existing sanctions measures against 7 persons have been extended;
- One person has been removed from the list;
- An EU travel ban and asset freeze in respect of 22 persons associated with the Belarusian military and Ministry for Defence. These measures are imposed under the existing sanctions regime in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine;
- Further restrictions on trade between the EU and Belarus, relating to the trade of goods used for the production or manufacturing of tobacco products, mineral fuels, bituminous substances and gaseous hydrocarbon products, potassium chloride (“potash”) products, wood products, cement products, iron and steel products and rubber products;



- Additional restrictions on exports of dual-use goods and technology and related services, as well as restrictions on exports of certain goods and technology which might contribute to Belarus' military, technological, defence and security development, together with restrictions on related services;
- A ban on the sale, supply, transfer or export of Euro banknotes to Russia or to any natural or legal person, entity or body in Russia is being introduced. This includes the Russian government and the Central Bank of Russia;
- The removal of 7 Russian banks from the SWIFT system with a 10 day lead in time. This includes any entity that the listed banks own 50% or more of. The banks affected are:
 - Bank Otkritie
 - Novikombank
 - Promsvyazbank
 - Bank Rossiya
 - Sovcombank
 - VNESHECONOMBANK (VEB)
 - VTB BANK
- A prohibition on investing in, participating or otherwise contributing to projects co-financed by the Russian Direct Investment Fund; and
- A prohibition on broadcasting or enabling the broadcast of state-owned media Russia Today or Sputnik in the EU.

What application might the new EU sanctions have to the legal services sector?

The restrictive measures will not affect the practice of the vast majority of legal practitioners. However, they may have application to a limited number of legal practitioners who provide legal advice with an international dimension, to include in respect of financial transactions and in the creation, operation or management of trusts.

Also, there may be a limited number of legal practitioners providing legal services to persons or entities who have been targeted under the new EU sanctions. The lists of persons and entities under EU restrictive measures over the territorial integrity of Ukraine are set out in the Annex to Council Decision 2014/145 CFSP as amended which is available [here](#). It is incumbent on every barrister to determine whether the restrictive measures have any application to the services provided by him or her.

The Law Society of Ireland, in its guidance on the [Sanctions \(Restrictive Measures\) on Russia and Belarus over Ukraine](#), recommends that solicitors should document the outcome of their thought processes about the potential exposure of their firms to new sanctions. The LSRA recommends barristers may wish to conduct a similar documenting exercise where appropriate.



What are the penalties for breaching the new EU sanctions?

The penalties in Irish law for a breach of the new EU sanctions are contained in Irish Statutory Instruments. To date, the relevant Statutory Instruments provide that a person who breaches the new EU sanctions shall be liable, on summary conviction, to a class A fine or to imprisonment for a term not exceeding 12 months or both, or, on conviction on indictment, to a fine not exceeding €500,000 or to imprisonment for a term not exceeding 3 years or both.

This guidance provides a list of the relevant legislation in respect of the penalties for breaching the new EU sanctions in the section below entitled: *'Where are the new EU sanctions and penalties for breaching them to be found?'*

Where are the new EU sanctions and penalties for breaching them to be found?

The Central Bank of Ireland's [Financial Sanctions Updates 2022](#) provides a detailed list of the recent legislation in respect of EU sanctions.

Furthermore, The Department of Foreign Affairs has published [Information on sanctions in respect of the situation in Ukraine](#), summarising the new EU sanctions measures, and providing links to the relevant legislation.

The penalties in Irish law for a breach of the new EU sanctions are contained in Irish Statutory Instruments. The following is a list of the Irish Statutory Instruments which have been published, at the time of writing, on the Irish Statute Book website in respect of the penalties for breaching the new EU sanctions:

- European Union (Restrictive Measures concerning Ukraine) Regulations 2022, SI [81/2022](#)
- European Union (Restrictive Measures concerning Ukraine) (No.2) Regulations 2022, SI [82/2022](#)
- European Union (Restrictive Measures Concerning Belarus) Regulations 2022, SI [89/2022](#)
- European Union (Restrictive Measures Concerning Ukraine) (No.3) Regulations 2022, SI [90/2022](#)
- European Union (Restrictive Measures Concerning Ukraine) (No.4) Regulations 2022, SI [92/2022](#)
- European Union (Restrictive Measures Concerning Ukraine) (No.5) Regulations 2022, SI [94/2022](#)
- European Union (Restrictive Measures Concerning Ukraine) (No.6) Regulations 2022, SI [100/2022](#)



- European Union (Restrictive Measures Concerning Belarus) (No.2) Regulations 2022, [SI 101/2022](#)
- European Union (Restrictive Measures Concerning Ukraine) (No.7) Regulations 2022, [SI 105/2022](#)
- European Union (Restrictive Measures concerning Belarus) (No.3) Regulations 2022, [SI 116/2022](#)
- European Union (Restrictive Measures concerning Ukraine) (No.8) Regulations 2022, [SI 117/2022](#)
- European Union (Restrictive Measures concerning Ukraine) (No.9) Regulations 2022, [SI 168/2022](#)
- European Union (Restrictive Measures concerning Belarus) (No. 4) Regulations 2022, [SI 178/2022](#)

What is the EU sanctions whistleblower tool?

The European Union sanctions whistleblower tool was rolled out on 4 March 2022, and is accessible via the Commission's website at <https://eusanctions.integrityline.com/>. It facilitates the anonymous reporting of possible violations of EU sanctions. It can be used to report past, ongoing or planned sanctions violations, as well as attempts to circumvent EU sanctions.

Details about the tool are available at https://ec.europa.eu/info/business-economy-euro/banking-and-finance/international-relations/restrictive-measures-sanctions_en#whistleblower.

Other resources

Barristers are advised to monitor the websites referenced below closely in the event that further information is available or further restrictive measures are adopted.

Further information on the new EU sanctions can be viewed at:

- the [Irish Statute Book](#);
- [the Central Bank of Ireland](#);
- the [Department of Foreign Affairs](#) website – which provides domestic guidance on the implementation of sanctions at the bottom of this page;
- the [EU Council](#) website – which outlines the measures agreed at an EU level.

A timeline of the restrictive measures is available [here](#). The lists of persons and entities under EU restrictive measures over the territorial integrity of Ukraine are available [here](#).



The Law Society of Ireland has published guidance for solicitors on the [Sanctions \(Restrictive Measures\) on Russia and Belarus over Ukraine](#).

The European Union sanctions whistle-blower tool is accessible via the Commission's website at <https://eusanctions.integrityline.com/>. More details about the tool are available at https://ec.europa.eu/info/business-economy-euro/banking-and-finance/international-relations/restrictive-measures-sanctions_en#whistleblower.

In order to facilitate compliance, the Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA) - which is responsible for the Commission's policies on banking and finance - has confirmed that it will provide *guidance on the new sanctions* as soon as possible. In the interim, they recommend consulting the [Commission Guidance Note on the implementation of certain provisions of Regulation \(EU\) No 833/2014](#), in case queries may be answered there.

The Department of Foreign Affairs has published [Information on sanctions in respect of the situation in Ukraine](#), summarising the new EU sanctions measures, and providing links to the relevant legislation.

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