

EU extends sanctions against Russia by six months

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Since early 2014 the EU has imposed various sanctions with regard to Russia in connection with the situation in the Ukraine and the Crimea through a raft of different measures which have undergone expansion and renewal - we reported on the most recent developments last autumn [here](#).

Under [recently adopted EU legislation](#) the EU has extended certain sanctions against Russia for six months, i.e until 31 July 2016. This has come about because the so-called Minsk peace agreements were not going to be completely implemented by 31 December 2015, which the sanctions in question are linked to - the six-month extension allows the EU more time to assess the implementation of those agreements.

The EU sanctions regime is quite complex as it is fragmented into many different parts. This latest extension specifically relates to certain particularly sensitive sanctions which restrict certain activities concerning: transferable securities and money-market instruments, notably with regard to certain Russian banks; the Russian energy sector, notably with regard to oil production and exploration; and, to export bans on dual-use goods for military use in Russia.

Although this particular sanctions regime has been in place for some time, a start of the year compliance exposure check now may be of value by undertaking the following:

- A due diligence screening against individuals and entities on the sanctions lists to ensure that the business is not doing business with any of these;
- A contracts clauses check on relevant contracts to ensure that provisions concerning warranties, force majeure, termination, and, liability are all up to scratch as regards sanctions; and,
- Where possible and of use (either as an alternative or a complement to contract breach risk), obtain insurance (export credit, political risk, and, trade disruption) against sanctions risks.

A summary of the current EU sanctions regime overall with regard to Russia and the Ukraine are [here](#).

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