



# SNAPSHOT RUSSIA/UKRAINE SANCTIONS REGIMES

## Why are sanctions imposed?

Australia imposes three autonomous sanctions regimes in response to the Russian threat to the sovereignty and territorial integrity of Ukraine:

- a regime in relation to Russia
- a regime in relation to Ukraine as a whole
- a regime in relation to specified regions in Ukraine.

This snapshot summarises all three of those sanctions regimes.

## What is prohibited by the Russia/Ukraine sanctions regimes?

The Russia/Ukraine sanctions regimes impose the following sanctions measures:


Measure	UNSC	Autonomous
restrictions on the export or supply of certain goods		✓
restrictions on the import, purchase or transport of certain goods		✓
restrictions on certain commercial activities		✓
restrictions on the provision of certain services		✓
restrictions on providing assets to designated persons or entities		✓
restrictions on dealing with the assets of designated persons or entities		✓
travel bans on designated persons		✓

### Restrictions on the export or supply of certain goods

It is prohibited to supply, sell or transfer any of the following goods directly or indirectly to, for use in, or for the benefit of Russia:

- arms or related matériel
- aluminium ores (including bauxite), alumina and related products (as designated in the Autonomous Sanctions (Export Sanctioned Goods – Russia) Designation 2022)
- certain luxury goods (as also designated in the above Designation)
- items suited for use in the following categories of oil exploration or oil production projects in Russia (as specified in the Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2015):
  - oil exploration and production in waters deeper than 150 metres;
  - oil exploration and production in the offshore area north of the Arctic Circle;
  - projects that have the potential to produce oil from resources located in shale formations by way of hydraulic fracturing (other than exploration and production through shale formations to locate or extract oil from non-shale reservoirs).

Arms or related matériel includes, but is not limited to, weapons, ammunition, military vehicles and equipment, and spare parts and accessories for any of those things. It also includes paramilitary equipment. While each case will be considered



individually, goods on the [Defence and Strategic Goods List](#) are likely to be considered arms or related matériel. Depending on the context, end-user and end-use, other goods may also be considered arms or related matériel.

It is prohibited to supply, sell or transfer directly or indirectly to, for use in, or for the benefit of a specified Ukraine region certain items (as specified in the Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2015) relating to the creation, acquisition or development of infrastructure for:

- the transport, telecommunications or energy sectors
- the exploitation of oil, gas or mineral reserves in a specified Ukraine region.

#### **Restrictions on the import, purchase or transport of certain goods**

It is prohibited to import, purchase or transport any of the following goods if they were exported from, or originated in, Russia:

- arms or related matériel
- oil, refined petroleum products, natural gas, coal and other energy products (as designated in the Autonomous Sanctions (Import Sanctioned Goods – Russia) Designation 2022).

It is prohibited to import, purchase or transport all goods that were exported from, or originated in, a specified Ukraine region.

#### **Restrictions on certain commercial activities**

It is prohibited to deal with financial instruments issued by, or provide loans or credit to:

- specified publicly-owned or controlled Russian banks (as specified in the Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2015)
- specified Russian companies predominantly engaged in activities relating to military equipment or services (as also specified in the above Specification)
- specified publicly-owned or controlled Russian companies involved in the sale or transport of crude oil or petroleum products (as also specified in the above Specification)
- majority-owned subsidiaries or entities acting as agents for any of the above.

It is prohibited to grant any loan or credit, or establish a joint venture, relating to:

- the creation, acquisition or development of infrastructure in the transport, telecommunications or energy sectors in a specified Ukraine region
- the exploitation of oil or gas, or of specified mineral resources (as specified in the Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2015), in a specified Ukraine region.

#### **Restrictions on the provision of certain services**

To complement the restrictions on the export/import of goods and on some commercial activities, the provision of services which relate to some of those sanctioned goods or activities is also restricted. It is prohibited to provide:

- any services which assist with, or is provided in relation to, the supply, sale or transfer of goods listed under ‘restrictions on the export or supply of certain goods’ above, except the items suited for use in certain categories or oil exploration or oil productions projects in Russia
- financial assistance or a financial service which assists with, or is provided in relation to, the import, purchase or transport of goods listed under ‘restrictions on the import, purchase or transport of certain goods’ above
- an investment service which assists with, or is provided in relation to, the activities listed under ‘restrictions on certain commercial activities’ above
- a service to Russia, or to a person for use in Russia, which assists with, or is provided in relation to:
  - a military activity
  - the manufacture, maintenance or use of arms or related matériel
- a service to a specified Ukraine region, or for use by a person in a specified Ukraine region, which assists with, or is provided in relation to:
  - the manufacture, maintenance or use of a good listed under ‘restrictions on the export of supply of certain goods’ above as being prohibited to supply, sell or transfer directly or indirectly to, for use in, or for the benefit of a specified Ukraine region

– engagement in an activity listed under ‘restrictions on certain commercial activities’ above as being prohibited in relation to a specified Ukraine region

- certain services to Russia, or to a person or entity for use in Russia, that are necessary for certain types of oil exploration or production projects in Russia, including drilling or well-testing services.

#### Restrictions on dealing with the assets of designated persons or entities (requirement to freeze assets)

The Minister for Foreign Affairs may designate a person or entity for targeted financial sanctions if:

- (a) the Minister is satisfied that the person or entity is responsible for, or complicit in, the threat to the sovereignty and territorial integrity of Ukraine
- (b) the Minister is satisfied that the person or entity is, or has been, engaging in an activity or performing a function that is of economic or strategic significance to Russia
- (c) the person is a current or former Minister or senior official of the Russian Government
- (d) the person is an immediate family member of a person mentioned in paragraph (b) or (c).

It is prohibited to directly or indirectly make an asset available to, or for the benefit of, a designated person or entity.

It is also prohibited to use or deal with an asset, or allow or facilitate another person to use or deal with an asset, that is owned or controlled by a designated person or entity (the assets are ‘frozen’ and cannot be used or dealt with). The prohibition on ‘dealing’ with assets includes using, selling or moving assets.

An ‘asset’ includes an asset or property of any kind, whether tangible or intangible, movable or immovable.

Go to the Consolidated List to search the names of designated persons and entities.

If you become aware that you are holding an asset of a designated person or entity, you are required to freeze (hold) that asset and notify the AFP as soon as possible. Go to [What You Need to Do](#) for more information.

#### Travel bans on declared persons

The Minister for Foreign Affairs may declare a person for a travel ban if:

- (a) the Minister is satisfied that the person or entity is responsible for, or complicit in, the threat to the sovereignty and territorial integrity of Ukraine
- (b) the Minister is satisfied that the person or entity is, or has been, engaging in an activity or performing a function that is of economic or strategic significance to Russia
- (c) the person is a current or former Minister or senior official of the Russian Government
- (d) the person is an immediate family member of a person mentioned in paragraph (b) or (c).

#### Who must comply with sanctions?

Australian sanctions laws apply to activities in Australia, and to activities undertaken overseas by Australian citizens and Australian-registered bodies corporate.

It is a serious criminal offence to breach Australian sanctions laws. The penalties include up to ten years in prison and substantial fines.

#### Sanctions permits

The Minister for Foreign Affairs may grant a sanctions permit to allow an activity that would otherwise be prohibited under autonomous sanctions in relation to Russia provided the activity meets specific criteria.

The table below provides a general guide to relevant criteria. You should get your own legal advice if you think your proposed activity is affected by sanctions and may meet the criteria for a permit. Go to [Sanctions Permits](#) for information on permits, including how to apply.

Measure	Criteria	Reference
Restrictions of the export or supply of certain goods	The Foreign Minister is satisfied that it would be <a href="#">in the national interest</a> to grant a permit	Regulations 4, 12 and 18 of the Autonomous Sanctions Regulations 2011

Measure	Criteria	Reference
		Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2015 Regulation 11 of the Customs (Prohibited Exports) Regulations 1958
Restrictions on the import, purchase or transport of certain goods	The Foreign Minister is satisfied that it would be in <u>the national interest</u> to grant a permit	Regulations 3, 4A, 12A and 18 of the Autonomous Sanctions Regulations 2011
Restrictions on certain commercial activities	The Foreign Minister is satisfied that it would be in <u>the national interest</u> to grant a permit	Regulations 3, 5A, 12 and 18 of the Autonomous Sanctions Regulations 2011
Restrictions on provision of certain services	The Foreign Minister is satisfied that it would be in <u>the national interest</u> to grant a permit	Regulations 5, 13 and 18 of the Autonomous Sanctions Regulations 2011
Restrictions on providing assets to, and dealing with the assets of, designated persons or entities	The Foreign Minister is satisfied that it would be in <u>the national interest</u> to grant a permit and, for a permit granted on application, the permit must be for a basic expense dealing, a legally required dealing, or a contractual dealing	Regulations 6, 14, 15, 18 and 20 of the Autonomous Sanctions Regulations 2011  Autonomous Sanctions (Designated Persons and Entities and Declared Persons – Russia and Ukraine) List 2014

## US and other countries' sanctions laws


You should consider the wider legal and commercial context of your activities, and seek your own legal advice on the sanctions laws of other countries, including the United States, that may be relevant to you. The Australian Government cannot provide advice on other countries' sanctions laws.

You may also wish to consult your financial institution to ensure that it will accept any payments from Russia. Some Australian financial institutions have restricted their dealings with Russian financial institutions, including in response to Australian and other countries' sanctions laws, and their own commercial considerations.

## Relevant legislation

The relevant legislation for the Russia/Ukraine sanctions regime includes the following:

- *Autonomous Sanctions Act 2011*
- *Autonomous Sanctions Regulations 2011*
- *Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2015*
- *Autonomous Sanctions (Designated Persons and Entities and Declared Persons – Russia and Ukraine) List 2014*
- *Autonomous Sanctions (Import Sanctioned Goods—Russia) Designation 2022*
- *Autonomous Sanctions (Export Sanctioned Goods—Russia) Designation 2022*
- *Customs (Prohibited Exports) Regulations 1958*
- *Customs (Prohibited Imports) Regulations 1956*
- *Migration Regulations 1994*



## Where can I get more information?

More information on Australian sanctions laws, including how to contact the Australian Sanctions Office and subscribe to receive updates by e-mail, can be found on DFAT's website: [www.dfat.gov.au/sanctions](http://www.dfat.gov.au/sanctions).

*This document provides a summary only of relevant sanctions laws. It should not be relied upon as a substitute for legal advice. It is your responsibility to ensure you do not contravene sanctions law, including by obtaining your own legal advice.*