



## **Ukraine: EU agrees fifth package of restrictive measures against Russia**

Brussels, 8 April 2022

The European Commission welcomes today's agreement by the Council to adopt a fifth package of restrictive measures against Putin's regime in response to its brutal aggression against Ukraine and its people. Together with the four previous packages, these sanctions will further contribute to ramping up economic pressure on the Kremlin and cripple its ability to finance its invasion of Ukraine. These measures are broader and sharper, so that they cut even deeper into the Russian economy. They have been coordinated with international partners.

The Commission and the EEAS are working on additional proposals for possible sanctions, including on oil imports, and are reflecting on some of the ideas presented by Member States, such as taxes or specific payments channels, such as an escrow account. Beyond sanctions, the EU has made it clear that reducing our dependence on energy imports from Russia is an urgent imperative. The Commission announced in its [REPower Communication of 8 March](#) a strategy to reduce dependence on Russian fossil fuels as soon as possible and work has started to implement this plan.

Today's package contains the following six elements:

### **1) Coal ban**

- An import ban on all forms of Russian coal. This affects one fourth of all Russian coal exports, amounting to around €8 billion loss of revenue per year for Russia.

### **2) Financial measures**

- A full transaction ban and asset freeze on four Russian banks, which are now totally cut off from the markets. They represent 23% of market share in the Russian banking sector and will, therefore, further weaken Russia's financial system.
- A prohibition on providing high-value crypto-asset services to Russia. This will contribute to closing potential loopholes.
- A prohibition on providing advice on trusts to wealthy Russians, making it more difficult for them to store their wealth in the EU.

### **3) Transport**

- A full ban on Russian and Belarusian freight road operators working in the EU. Certain exemptions will cover essentials, such as agricultural and food products, humanitarian aid as well as energy.
- An entry ban on Russian-flagged vessels to EU ports. Exemptions apply for medical, food, energy, and humanitarian purposes, amongst others.

### **4) Targeted export bans**

- Further targeted export bans – worth €10 billion - in areas in which Russia is vulnerable due to its high dependency on EU supplies. This includes, for example, quantum computing, advanced semiconductors, sensitive machinery, transportation and chemicals. It also includes specialist catalysts for use in the refinery industry. This will continue to degrade Russia's technological base and industrial capacity.
- Adding jet fuel and fuel additives, which may be used by the Russian army, to the existing export ban.

### **5) Extending import bans**

- Additional import bans – worth €5.5 billion - including cement, rubber products, wood, spirits (including vodka), liquor, high-end seafood (including caviar), and an anti-circumvention measure against potash imports from Belarus. These measures will also help to close loopholes between Russia and Belarus.

## **6) Excluding Russia from public contracts and European money; legal clarifications and enforcement**

- Full prohibition on the participation of Russian nationals and entities in procurement contracts in the EU. Limited exceptions may be granted by the competent authorities where there is no viable alternative.
- Restriction on financial and non-financial support to Russian publicly owned or controlled entities under EU, Euratom and Member State programmes. For instance, further to measures previously announced in [research](#) and [education](#), the Commission will terminate participation in all ongoing grant agreements to Russian public bodies or related entities, and suspend all related payments, under [Horizon 2020](#) and [Horizon Europe](#), Euratom, and [Erasmus+](#). No new contracts or agreements with Russian public bodies or related entities will be concluded under these programmes.
- Addressing various overlaps between export restrictions on dual-use items and advanced technologies and other provisions.
- Extending to all official EU currencies the prohibitions on the export of banknotes and on the sale of transferrable securities.

The Commission also welcomes that an additional 217 individuals and 18 entities have now been sanctioned. This includes all 179 members of the so-called "governments" and "parliaments" of Donetsk and Luhansk. In total, 1091 individuals and 80 entities have been sanctioned since 2014.

### **Guidance on scrutinising foreign direct investments from Russia and Belarus**

The Commission also [published guidance on 5 April](#) for EU Member States on assessing and preventing threats to EU security and public order from Russian and Belarusian investments. The guidance highlights the increased risk from investments subject to Russian or Belarusian government influence in the context of Russia's invasion of Ukraine. It calls for close cooperation between authorities involved in investment screenings and those responsible for the enforcement of sanctions. Member States are called upon to urgently set up comprehensive investment screening mechanisms if they have not done so already. They are also called upon to enforce anti-money laundering rules to prevent the misuse of the EU financial system by investors from Russia and Belarus.

### **Background**

Today's agreement builds on the wide-ranging and unprecedented packages of measures the EU has been taking in response to Russia's aggression against Ukraine's territorial integrity and mounting atrocities against Ukrainian civilians and cities.

As guardian of the EU Treaties, the European Commission is in charge of monitoring the enforcement of EU sanctions across the Union. The EU stands united in its solidarity with Ukraine and will continue to support Ukraine and its people together with its international partners, including through additional political, financial and humanitarian support.

### **For More Information**

[Questions and answers on the fifth package of restrictive measures against Russia](#) [will be available later today]

[European Commission website on Ukraine](#)

[Questions and answers on restrictive measures](#)

IP/22/2332

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