

On Thursday 29 January 2015, EU leaders – more specifically foreign ministers from each of the 28 member states – held an emergency extraordinary meeting in Brussels to consider the evolving political situation in the Ukraine following the events of last weekend and to assess the adequacy of the legal sanctions framework currently in place.

At the end of the meeting, the EU leaders described the situation as “extremely worrying and negative” and confirmed the restrictive measures targeting persons and entities for threatening or undermining Ukraine’s sovereignty and territorial integrity, adopted in March 2014 and subsequently updated, will be extended until September 2015.

The Council has already published Regulation 2015/138 which expands the scope of individuals to be considered as designated persons. The new Regulation captures those who:

1. misappropriate Ukrainian public funds or assets, or are an accomplice to such misappropriation; or
2. abuse their position as a public office-holder to procure an unjustified advantage and thereby cause a loss to Ukrainian public funds or assets, or by being an accomplice.

The Commission will present a proposal within the next week on potential further designations, which will be decided upon at the next Foreign Affairs Council meeting on **9 February 2015**

It should be noted that no new sectoral restrictions have been agreed as yet, but the Council instructed the Commission and the EEAS to start “*further preparatory work*” on “*any appropriate action, aiming at ensuring a swift and comprehensive implementation of the Minsk agreements*”. In other words, the EU will be considering new sectoral restrictions if the situation on the ground deteriorates further.

Any company operating in Russia or the Ukraine should be closely monitoring the political situation, and be ready to anticipate any changes ahead of 9 February 2015.

As a general rules, EU sanctions laws apply to:

- EU Nationals wherever located
- Entities incorporated in the EU Including non-EU branches of such entities
- Any individuals located in the EU Including non-EU nationals
- Any entities in respect of business done in whole or in part in the EU including non-EU entities

## About Our Sanctions Team

Our Sanctions team is built on the ability to advise on the shifting regulatory framework on both sides of the Atlantic. We have extensive experience in advising and representing a wide range of companies and financial intuitions in European, the US and other jurisdictions on export control and sanctions from a multijurisdictional perspective. Our sanctions team is part of our overall Global Import and Export Compliance practice, providing a “one-stop” solution to global trade compliance through rapid, professional and tailored advice and compliance tools to fit your business needs and processes.

If you have any question relating to sanctions please contact a member of our EU or US sanctions team.

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