EU RUSSIA SANCTIONS

Practitioner's Reference Guide

Covering Council Regulation (EU) No 833/2014 (Sectoral Sanctions)
Council Regulation (EU) No 269/2014 (Individual Listings)
Council Regulation (EU) No 692/2014 (Crimea / Sevastopol)
Regulation (EU) 2022/263 (Donetsk / Luhansk)

As of 20th Sanctions Package — Regulation (EU) 2026/506 & 2026/511 (April 2026)

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1. How to Use This Guide

HOW TO USE THIS GUIDE

TASK → SECTIONS TO CONSULT

Screening a counterparty (individual or entity): Section 4 (Reg 269/2014 — individual listings and asset freeze). Check the EU Consolidated Financial Sanctions List and EU Sanctions Map.

Assessing an export of goods or technology: Section 5.1 (Annex lists — dual-use, advanced technology, military items). Section 5.2 (controlled goods by sector). Section 6 (derogations).

Assessing a financial transaction or banking service: Section 5.3 (capital markets, deposits, SWIFT). Section 5.4 (payment services — Art. 5b). Section 5.5 (crypto assets — Art. 5c).

Assessing provision of professional or IT services: Section 5.6 (Art. 5aa and Art. 5n — professional services, CSD services). Section 5.7 (Art. 7 — general services prohibition).

Energy-related transactions (oil, gas, LNG): Section 5.8 (energy sector restrictions). Section 5.9 (oil price cap mechanism).

Determining derogation/authorization availability: Section 6 (derogations). Section 7 (compliance checklist references the applicable NCA for your member state).

Identifying the applicable list(s): Section 8 (sanctions lists comparison — Annex I through Annex XLIV+).

Checking circumvention and "best efforts" obligations: Section 5.10 (Art. 12, Art. 12g, Art. 8a).

CRITICAL: DO NOT REASON BY ANALOGY WITH OFAC OR UK SANCTIONS

EU Russia sanctions have a different architecture from OFAC programs and UK OFSI regimes. Key differences: (1) No "50% Rule" — the EU uses an "owned or controlled" test with no fixed ownership threshold. (2) No individually numbered FAQs — EU guidance is published as topic-specific PDF documents. (3) No "general licenses" — the equivalent mechanism is called derogations or authorizations, issued by National Competent Authorities (NCAs) at member-state level. (4) Enforcement is entirely national — the European Commission interprets but does not investigate or penalise. (5) Annex IV entities under Reg 833/2014 are NOT subject to an asset freeze — they face targeted economic restrictions only, and are NOT included in the EU Consolidated Financial Sanctions List.

2. Overview and Legislative / Regulatory Framework

2.1 Treaty Authority and Institutional Architecture

EU restrictive measures rest on two legal bases in the Treaty on the Functioning of the European Union (TFEU). Council Decisions under the Common Foreign and Security Policy (CFSP — Article 29 of the Treaty on European Union) establish the political objectives and list criteria. Council Regulations under Article 215 TFEU implement those Decisions as binding, directly applicable law in every EU member state. In the Russia sanctions context, each regime has a parallel Decision/Regulation pair. Regulations create enforceable rights and obligations; Decisions cannot by themselves impose obligations on private parties.

The European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA), publishes interpretive guidance and FAQs. This guidance is not legally binding but carries significant persuasive authority. Enforcement is exclusively a national matter — each member state designates a National Competent Authority (NCA) responsible for investigating violations, issuing authorizations, and imposing penalties.

2.2 The Four Regulatory Pillars

The EU Russia sanctions framework consists of four main regulatory pillars:

Regulation	In Force	Core Subject Matter	Decision Counterpart
Reg (EU) No 833/2014 (Sectoral Sanctions)	1 August 2014	Export/import bans, financial restrictions, services prohibitions, oil price cap, circumvention controls. The primary economic sanctions instrument. Now 20 packages deep.	Decision 2014/512/CFSP
Reg (EU) No 269/2014 (Individual Listings)	17 March 2014	Asset freeze and prohibition on making funds/economic resources available to 1,200+ listed individuals and 108+ entities in Annex I. Travel ban applied via parallel CFSP Decision.	Decision 2014/145/CFSP
Reg (EU) No 692/2014 (Crimea / Sevastopol)	25 June 2014	Import ban on goods originating in Crimea or Sevastopol; investment ban; export restrictions on key infrastructure sectors; ban on providing related services.	Decision 2014/386/CFSP
Reg (EU) 2022/263	24 February 2022	Extends Reg 692/2014-type restrictions to Russian-controlled areas of Donetsk, Luhansk, Zaporizhzhia, and Kherson oblasts (non-government-controlled areas of Ukraine).	Decision (CFSP) 2022/266

This guide focuses on Regulation 833/2014 and Regulation 269/2014 as the two primary regimes affecting most compliance decisions. Regulations 692/2014 and 2022/263 are addressed in Section 3.4.

2.3 Amendment History — 20 Packages

Since February 2022, the Council has adopted 20 successive "packages" of amendments, progressively tightening all four pillars. Key package inflection points:

Date	Package / Instrument	Key Additions
April 2026	20th Package (Reg 2026/506 / 2026/511)	Amendments to Reg 833/2014 and 269/2014; new arbitration-related safeguards (Art. 11ca); Article 5c additions to Reg 269/2014; expanded shadow fleet measures.
December 2024	15th Package	Shadow fleet vessel designations; enforcement of Russian Art. 248 court decision ban.
October 2024	14th Package	LNG sanctions (Art. 3e); SPFS prohibition; Annex XLIV (SPFS users); Annex IV entities tighter; best efforts obligation (Art. 8a); circumvention liability rules.
June 2024	14th Package (contd.)	New no re-export obligation (Art. 12g extended); expanded oil price cap enforcement; 27 new Annex IV entities.
Dec 2023	12th Package	No re-export to Russia clause (Art. 12g); expanded Annex IV; diamond import ban; Russian carbon steel ban.
Jun 2023	11th Package	Anti-circumvention measures — Art. 8a "best efforts"; new operator diligence requirements.
Feb 2023	10th Package	Drone component controls; maritime transport restrictions; new professional services additions.
Oct 2022	8th Package	Oil price cap framework; executive pay cap for state-owned entities; new export controls; maritime transport bans.
Jul 2022	7th Package	Gold import ban; additional luxury goods; SWIFT expansion.
Apr 2022	5th Package	Coal import ban (first energy import ban); road transport; maritime access; broadcasting ban.
Mar 2022	3rd/4th Packages	SWIFT ban on major Russian banks; financial sector restrictions expanded; maritime/aviation.
Feb 2022	1st/2nd Packages	Expanded SDN-equivalent designations; initial financial sector restrictions.
August 2014	Original Reg 833/2014	Debt/equity capital market restrictions; dual-use export ban; energy sector restrictions.
March 2014	Original Reg 269/2014	Asset freeze and travel ban on initial Annex I individuals.

KEY COMPLIANCE TAKEAWAY

Regulation 833/2014 is the central instrument; every compliance analysis should start with the current consolidated text of that regulation, which reflects all 20 packages. Always use the EUR-Lex consolidated version, not the original 2014 text.

3. Scope, Geographic Application, and Key Definitions

3.1 Who Is Bound by the Regulations

EU regulations apply directly and uniformly in all member states. The regulations bind: (a) EU nationals anywhere in the world; (b) legal persons incorporated under EU law (including EU subsidiaries of non-EU parents); (c) any person within the EU's territory; and (d) any person conducting business in whole or in part in the EU. Non-EU persons who route transactions through the EU — using EU financial institutions, EU persons as intermediaries, or EU-based clearing systems — are effectively subject to EU sanctions to that extent.

NOTE: SCOPE EXTENDS BEYOND EU TERRITORY

The regulations reach EU nationals and EU-incorporated entities wherever they operate globally, not just in the EU. An EU bank's Singapore branch, or an EU-incorporated holding company operating in Dubai, must comply with Reg 833/2014 and Reg 269/2014. An EU operator owning or controlling a non-EU entity must use "best efforts" (Art. 8a) to prevent that entity from engaging in conduct that would violate Reg 833/2014 if done by an EU person.

3.2 Operative Definitions

Key defined terms in Regulation 833/2014 (Art. 1):

Term	Definition and Compliance Significance
"Russia" / "Russian territory"	Defined broadly to include the Russian Federation and areas under its effective control, including for purposes of determining whether goods "originate in Russia."
"Funds"	Financial assets and benefits of every kind (Art. 1(d) of Reg 269/2014). Broader than cash — includes securities, claims, instruments, and economic resources of any kind. No minimum value threshold.
"Economic resources"	Assets of every kind that may be used to obtain funds, goods, or services (Art. 1(e) of Reg 269/2014). Includes real property, intellectual property, and contractual rights.
"Transferable securities"	Defined by reference to MiFID II (Directive 2014/65/EU). Includes shares, bonds, depositary receipts, and equivalent instruments. Used in Art. 5 (capital markets restrictions).
"Money market instruments"	MiFID II definition. Includes treasury bills, certificates of deposit, commercial paper. Used in Art. 5.
"Dual-use items"	Items listed in Annex I to Regulation (EU) 2021/821 (the EU Dual-Use Regulation). Items that have both civilian and potential military applications.
"Listed person/entity"	Any natural or legal person, entity, or body included in Annex I to Reg 269/2014. An asset freeze attaches to all funds and economic resources belonging to, owned, held, or controlled by listed persons.
"National Competent Authority" (NCA)	The authority designated by each member state to implement EU sanctions. NCAs grant authorizations (derogations), receive notifications, investigate violations, and impose penalties. There is no single EU-level enforcement authority.

3.3 The "Owned or Controlled" Test — EU Equivalent of the 50% Rule

Regulation 269/2014 and Regulation 833/2014 both extend their prohibitions to persons, entities, or bodies "owned or controlled" by listed/designated parties. This is the EU equivalent of OFAC's 50% Rule, but it operates differently.

KEY DISTINCTION FROM OFAC 50% RULE

OFAC's rule has a bright-line numerical threshold: ≥50% ownership triggers automatic SDN status. EU law has no fixed numerical ownership threshold. Instead, EU law asks whether a listed party "owns or controls" the entity, which requires a fact-specific assessment of both direct/indirect ownership AND effective control. An entity with 40% listed-party ownership could still be "controlled" if the listed party exercises dominant influence through board composition, contractual rights, veto powers, or other means. Equally, a 55%-owned entity might not be "controlled" if the listed party is a passive minority investor in practical effect — though caution is warranted.

The concept of "control" for purposes of Reg 269/2014 is assessed against Article 3(2) of Directive 2013/34/EU (the Accounting Directive) criteria, including: majority voting rights; power to appoint or remove the majority of the board; ability to exercise dominant influence by contract or articles; or holding a majority of shareholders' or members' voting rights. This is a broader and more judgment-intensive test than the OFAC numerical rule.

WARNING: NO SAFE HARBOR FOR PERCENTAGE OWNERSHIP ALONE

Unlike OFAC, EU law does not provide a safe harbor where listed-party ownership is below 50%. Any ownership stake combined with evidence of effective control — contractual rights, board appointment power, decisive voting influence — may bring an entity within scope. The absence of a bright-line threshold is a critical operational difference. Financial institutions must assess the full ownership and control structure, not merely run a mathematical ownership calculation.

3.4 Crimea / Sevastopol (Reg 692/2014) and Non-Government-Controlled Areas (Reg 2022/263)

Regulation (EU) No 692/2014 imposes: (a) an import ban on all goods originating in Crimea or Sevastopol; (b) an investment ban — no new investments in infrastructure, transport, communications, energy, oil/gas/mineral extraction, or financial services in Crimea/Sevastopol; (c) an export ban on key equipment and technology for the same sectors; and (d) a ban on providing related services including brokering, insurance, and financing.

Regulation (EU) 2022/263 extends equivalent restrictions to Russian-controlled non-government-controlled areas (NCAs) of the Donetsk, Luhansk, Zaporizhzhia, and Kherson oblasts. These restrictions operate parallel to, and additive with, Reg 833/2014 restrictions affecting the same transactions.

KEY COMPLIANCE TAKEAWAY

All four regulatory pillars must be checked for any Russia-connected transaction; a transaction may comply with Reg 833/2014 while triggering Reg 269/2014 or Reg 692/2014.

4. Individual Listings and Asset Freeze — Regulation (EU) No 269/2014

4.1 Listing Criteria

Article 3 of Regulation 269/2014 (as amended through the 20th package) authorises the Council to list natural persons, legal persons, entities, or bodies meeting one or more of the following criteria:

- Persons responsible for, supporting, or implementing actions or policies undermining or threatening Ukraine's territorial integrity, sovereignty, and independence, or stability or security in Ukraine;
- Persons supporting, materially or financially, actions undermining Ukraine's territorial integrity;
- Persons in Crimea or Sevastopol whose ownership was transferred contrary to Ukrainian law, or beneficiaries of such transfer;
- Natural or legal persons supporting or benefiting from Russian decision-makers responsible for the Crimea annexation or destabilisation of Ukraine;
- Leading businesspersons or legal entities connected with the Russian government and operating in Russia (expanded criterion, added from 2022 packages onwards);
- Persons who conducted transactions with separatist groups in the Donbas region of Ukraine;
- Persons who actively provided material or financial support to, or benefited from, Russian decision-makers responsible for the annexation of Crimea;
- Persons who participated in or enabled transfers of ownership, control, or economic benefit of listed businesspersons' interests, thereby frustrating those measures.

As of the 20th package (April 2026), over 1,200 individuals and 108+ entities are listed in Annex I to Regulation 269/2014.

4.2 Asset Freeze — Article 2

Article 2(1) of Reg 269/2014 requires that all funds and economic resources belonging to, owned, held, or controlled by listed persons, as set out in Annex I, shall be frozen. The asset freeze applies automatically upon listing — no further implementing measure is required.

Article 2(2) prohibits making any funds or economic resources available, directly or indirectly, to or for the benefit of listed persons. "Available to or for the benefit of" is interpreted broadly: routing a payment through an intermediary chain that ultimately benefits a listed person violates Art. 2(2), even if the immediate counterparty is not listed.

> **CRITICAL: "FOR THE BENEFIT OF" EXTENDS BEYOND DIRECT TRANSACTIONS**
>
> The Art. 2(2) prohibition reaches indirect benefit. A payment to an unlisted entity that will foreseeably pass value to a listed person — through a dividend, loan repayment, contractual right, or otherwise — violates the regulation. The absence of a direct contractual relationship with the listed person does not insulate a transaction. This is comparable in effect to OFAC's "property in which a blocked person has an interest" standard.

The asset freeze covers all geographic locations: frozen assets held anywhere in the world by EU persons or held in the EU by non-EU persons must be reported to the relevant NCA.

4.3 Notification Obligations

When an EU credit or financial institution holds frozen assets belonging to a listed person, it must immediately notify the relevant NCA. Most member states require notification within a short window (typically 5 business days from identification). NCAs coordinate reporting across member states through the EU sanctions framework.

4.4 Derogations from the Asset Freeze

Articles 4 through 9 of Reg 269/2014 provide the main derogations from the Art. 2 prohibitions. These are conditional; they require prior authorization from the relevant NCA except where noted:

Derogation	Article	Conditions and Scope
Satisfaction of basic needs	Art. 4	Release of frozen funds to meet essential needs: food, rent, mortgage payments, medicines, taxes, insurance, and public utility charges. Applies to listed natural persons. Requires NCA notification (not prior authorization) in some member states; check local rules.
Legal fees	Art. 4(c)	Fees for reasonable professional legal services. Prior NCA notification required. Not the same as a blanket legal services exception.
Pre-existing contracts	Art. 6	Payments to or from a listed person under contracts entered into before the listing date, or ancillary contracts necessary to execute such a prior contract. Requires prior NCA authorization. Strict — does not cover contracts entered after listing.
Humanitarian purposes	Art. 4(e)	Diplomatic, consular, or international organization activities, or humanitarian-purpose transactions. NCA authorization required.
EU / Member State transactions	Art. 4(d)	Payments necessary for official purposes by EU institutions, bodies, offices, or agencies, or member states.
Intended use by listed persons	Art. 7	NCA may authorize release if the funds are intended solely for purposes outside Russia and if no listed person ultimately benefits financially.

WARNING: NCAs ARE NOT INTERCHANGEABLE

Authorization from one member state's NCA does not bind another. An authorization granted by the German Bundesbank does not permit an Irish financial institution to unfreeze assets in Ireland. If a transaction involves multiple EU jurisdictions, each relevant NCA must separately authorize it unless a coordination mechanism applies. Always identify which member state(s)'s NCA has jurisdiction based on where the frozen assets are held and where the transaction is executed.

4.5 EU Consolidated Financial Sanctions List

The European Commission's DG FISMA manages the EU Consolidated Financial Sanctions List, which aggregates all Annex I listings across all EU sanctions regimes into a single searchable and downloadable database. This list is updated whenever new designations are adopted. The Consolidated List covers only persons and entities subject to an asset freeze and availability prohibition — it does NOT include Annex IV entities under Reg 833/2014, who face targeted economic restrictions but not an asset freeze.

The EU Sanctions Map provides a broader view of EU restrictive measures across all regimes and is useful for identifying which programs affect a given individual or entity.

Unlike OFAC's SDN List, the EU Consolidated List is a compilation database rather than a legally binding publication. The legally authoritative source for any specific listing is the Official Journal text of the implementing regulation or Council Decision in which the listing appears.

KEY COMPLIANCE TAKEAWAY

Always screen against the EU Consolidated Financial Sanctions List AND the EU Sanctions Map. Relying solely on a third-party screening service without understanding the gap between the Consolidated List and Annex IV entities may produce false negatives for export control purposes.

5. Sectoral Sanctions — Regulation (EU) No 833/2014

Regulation 833/2014, as amended through the 20th package (Reg 2026/506, April 2026), is the principal economic sanctions instrument. Its structure is article-by-article, covering exports, imports, finance, services, energy, and circumvention. Unlike a regime organized around listed individuals, Reg 833/2014 imposes categorical prohibitions — covering entire sectors, classes of goods, types of transactions — without requiring that any particular counterparty appear on a list (except for Annex-specific restrictions).

5.1 Export Controls — Dual-Use, Advanced Technology, Military Items

5.1.1 Dual-Use Goods and Technology (Article 2)

Article 2 of Reg 833/2014 prohibits the sale, supply, transfer, or export, directly or indirectly, of dual-use goods and technology listed in Annex I to Regulation (EU) 2021/821 to any person, entity, or body in Russia, or for use in Russia. The prohibition also covers: brokering services; technical assistance; financing or financial assistance (loans, credit, insurance) in connection with prohibited exports; and transit through Russia where the exporter knows the goods are destined for a military end-user or end-use.

The prohibition applies to all natural or legal persons subject to the regulation (see Section 3.1), regardless of whether any counterparty is listed. A Russian engineering firm not appearing on any EU list is still subject to the Art. 2 prohibition.

5.1.2 Advanced Technology Items (Article 2a / Annex VII)

Article 2a extends the export ban to advanced technology items listed in Annex VII to Reg 833/2014. Annex VII includes electronics, semiconductor devices, computers, information security technology, sensors and lasers, navigation and avionics equipment, marine technology, and aerospace and propulsion items — goods chosen specifically for their contribution to Russian military capabilities.

The Article 2a prohibition applies to the same range of activities as Article 2: sale, supply, transfer, export, brokering, technical assistance, and financing. It also applies to goods destined to any third country where there is a risk of circumvention to Russia — see Section 5.10 on the no re-export clause.

5.1.3 Items Contributing to Military/Industrial Enhancement (Article 2b / Annex X)

Added in the 11th package, Article 2b targets goods and technology listed in Annex X that could contribute to the enhancement of Russia's industrial capacities. This is a broader category than dual-use or Annex VII items, capturing goods with general industrial applicability that also have military relevance. Annex X includes chemicals, electrical machinery, vehicles, and similar industrial goods.

> **WARNING: ANNEX VII AND ANNEX X ARE REGULARLY EXPANDED**
> Both Annex VII and Annex X are regularly updated by each successive package. A product that was outside scope under an earlier package may have been added to the relevant annex in a later package. Before any export analysis, verify the current annex text in the consolidated Regulation 833/2014, not in any summary or earlier version.

5.1.4 Annex IV — High-Priority Items Subject to Tighter Restrictions

Annex IV to Reg 833/2014 lists specific entities — primarily Russian defense and industrial companies — to which the export of specified Annex VII and Annex X goods is subject to tighter restrictions, including stricter licensing requirements. These entities are NOT subject to an asset freeze; they do not appear on the EU Consolidated Financial Sanctions List. Screening systems that only check the asset-freeze list will not flag Annex IV entities. As of the 20th package, Annex IV lists over 200 entities.

> **KEY LIMIT: ANNEX IV ENTITIES ARE EXPORT-RESTRICTED, NOT ASSET-FROZEN**
> The practical implication: paying a listed Annex IV entity for goods or services already received is generally not prohibited (no asset freeze), but selling them dual-use or Annex VII goods is prohibited. These are different

legal analyses. Compliance teams must maintain separate screening workflows for the asset freeze (Reg 269/2014 Annex I) and for export restrictions (Reg 833/2014 Annex IV).

KEY COMPLIANCE TAKEAWAY
Any export of dual-use, Annex VII, or Annex X goods to Russia, whether the counterparty is listed or unlisted, requires analysis under Articles 2, 2a, and 2b before the transaction proceeds. There is no de minimis value threshold.

5.2 Import Restrictions — Revenue-Generating Goods

Regulation 833/2014 imposes import bans covering the most significant categories of Russian exports to the EU. These are commodity-level prohibitions and apply regardless of whether any Russian seller is listed.

Article	Category	Key Parameters
Art. 3g	Coal and solid fossil fuels	Complete import ban. Applied from August 2022 (5th package). Covers hard coal, coking coal, coal briquettes, and similar solid fuels (Annex XXII).
Art. 3h	Iron and steel	Broad import ban on iron and steel products (Annex XVII). Exceptions for iron ore, waste and scrap, and certain primary materials. Watch for downstream product scope: processed steel made using Russian inputs may be covered.
Art. 3i	Cement, ceramics, glass, certain goods	Import ban on goods listed in Annex XVIII, covering cement, portland cement, clinker, glass, ceramic products, and certain other revenue-generating goods.
Art. 3j	Rubber goods, paper, certain commodities	Import ban (Annex XIX). Includes rubber goods, wood products, and certain consumer goods.
Art. 3k	Luxury goods export ban	Prohibition on exporting luxury goods to Russia (Annex XVIII items of high value). Threshold: goods with value exceeding EUR 300 per item in most categories.
Art. 3o	Gold	Import ban on gold and gold products (Annex XXVI) from Russia. Applied from July 2022. Extends to Russian-origin gold processed in third countries.
Art. 3m	Revenue-generating goods	Import ban on a broad list of goods (Annex XXI) generating significant revenue for Russia. Covers seawater, road vehicles, machinery, electrical equipment, and other items.
Art. 3n	Additional items	Import ban on goods listed in Annex XXIII. Includes petroleum products subject to the oil price cap mechanism (see Section 5.9).
Art. 3e	LNG	Ban on import of Russian LNG (added 14th package). Covers spot market purchases and trans-shipment through EU ports for third countries.

WARNING: IMPORT BANS COVER RUSSIAN-ORIGIN GOODS PROCESSED IN THIRD COUNTRIES
The import bans apply to goods "originating in Russia" as determined by Union customs rules. Goods that are processed or transformed in a third country but do not acquire non-Russian origin under those rules remain within scope. This is particularly relevant for Russian steel, gold, and petroleum products that undergo processing in third countries before being exported to the EU. Due diligence on origin is mandatory for

categories covered by the import bans.

5.3 Capital Markets and Financial Sector Restrictions (Article 5)

Article 5 of Reg 833/2014 imposes restrictions on financial instruments, transactions, and services. These apply to specific Russian counterparties listed in Annex III (major state-controlled financial institutions) and to the Russian state itself. Unlike the Art. 2 export controls, the Art. 5 restrictions are list-based — they apply specifically to entities designated in the relevant annexes.

5.3.1 Transferable Securities and Money Market Instruments

It is prohibited to directly or indirectly purchase, sell, provide investment services for, or assist in the issuance of: (a) transferable securities and money market instruments with a maturity exceeding 90 days issued by certain Russian financial institutions (Annex III); (b) transferable securities and money market instruments issued by major state-owned enterprises (Annex VI, added for equity with maturity over 30 days post-March 2022); and (c) any new transferable securities or money market instruments issued after 12 September 2014 by entities listed in Annex III or VI.

These restrictions apply to the purchase of bonds, shares, and commercial paper in both primary and secondary markets. They also cover depositary receipts representing shares of listed entities.

5.3.2 Loans and Credit Arrangements

It is prohibited to directly or indirectly make new loans or credit with a maturity exceeding 30 days to: entities listed in Annex III, Annex VI, or associated with the Russian state or state-owned enterprises. Exceptions exist for: (a) loans intended to provide credit for non-prohibited imports or exports; (b) loans to EU subsidiaries of listed Russian entities where the EU subsidiary genuinely needs the funds and no listed entity benefits; and (c) drawdowns on pre-existing credit lines.

CRITICAL DISTINCTION: "NEW" LOAN VS. DRAWDOWN ON PRE-EXISTING FACILITY

Article 5 restrictions on loans apply to "new" loans, not to drawdowns under credit facilities established before the relevant date. However, material amendments to a pre-existing facility — extending maturity, increasing the amount, changing the structure significantly — may constitute a new loan. This requires case-by-case legal analysis. The relevant cut-off date for determining whether a facility is "pre-existing" depends on which amendment to Art. 5 applies to the specific counterparty and transaction type.

5.3.3 SWIFT Prohibition

Regulation 833/2014 prohibits EU credit and financial institutions from engaging in SWIFT-based messaging services with certain Russian banks specifically listed in the regulation. As of the 20th package, designated Russian banks (including Sberbank, VTB, Gazprombank when added, and others) are excluded from SWIFT. This prohibition applies to the direct SWIFT-connection relationship between EU institutions and the listed banks.

5.4 Payment Services Restrictions (Article 5b)

Article 5b(2) of Reg 833/2014 prohibits the provision of certain payment services to: (a) Russian nationals; (b) natural persons residing in Russia; and (c) legal persons, entities, or bodies established in Russia. Key parameters under the March 2026 European Commission guidance (FAQ: Provision of Payment Services):

- The prohibition applies when payment services are provided directly to the categories listed above, not when they are provided to EU persons who happen to transact with Russia.
- Non-Russian entities incorporated in an EU or third country but owned or controlled by Russian persons are NOT within scope of Art. 5b(2) in themselves, but circumvention provisions under Art. 12 must be independently assessed.

- Holders of long-stay Type D visas are considered legally resident in an EU member state and therefore not within the "residing in Russia" limb.
- The EUR 100,000 deposit ceiling under Art. 5b(1) applies to credit institutions and is separate from the payment services prohibition under Art. 5b(2). The deposit ceiling applies to the total account balance across all accounts at a given institution.

WARNING: NO BRIGHT-LINE THRESHOLD UNDER ART. 5b(2)

Unlike the EUR 100,000 deposit ceiling in Art. 5b(1), the payment services prohibition under Art. 5b(2) has no monetary threshold. A single EUR 5 payment service provided to a Russian national residing in Russia triggers the prohibition. Financial institutions cannot set a de minimis floor for compliance purposes.

5.5 Crypto-Asset Restrictions (Article 5c and Article 5c in Reg 269/2014)

Article 5c of Reg 833/2014 prohibits the provision of crypto-asset wallet, account, or custody services to Russian nationals and residents, and to legal persons incorporated in Russia, above a threshold. As amended, the prohibition covers services for wallets, accounts, or custody arrangements with a total value above EUR 10,000.

The 20th package (April 2026) introduced Article 5c into Regulation 269/2014 via Regulation 2026/511, extending targeted crypto-asset restrictions to listed individuals specifically.

KEY LIMIT: EUR 10,000 THRESHOLD APPLIES TO CRYPTO WALLET SERVICES

Unlike the payment services prohibition (no threshold), crypto-asset services are prohibited only above EUR 10,000 per wallet/account. Crypto-asset service providers may continue to service wallets below this threshold, but must have systems to ensure the aggregate service value does not exceed it. The threshold is per account/wallet, not per transaction.

5.6 Professional Services and CSD Services (Articles 5aa and 5n)

Article 5aa prohibits the provision to Russia of: accounting services; auditing services, including statutory auditing; bookkeeping and tax consulting services; business and management consulting; public relations services; and market research and opinion polling services.

Article 5n prohibits EU central securities depositories (CSDs) from providing CSD services for transferable securities issued after 12 April 2022 to Russian nationals or persons with a majority shareholding by Russian nationals or Russian legal entities.

5.7 Broad Services Prohibition (Article 7)

Article 7 of Reg 833/2014 prohibits the provision of a wide range of services to the Russian government and Russian state-owned entities (and, in some cases, to any person in Russia). The prohibited service categories include:

- Engineering and architecture services
- IT consultancy services
- Legal advisory services (with exceptions for legal representation in litigation)
- Advertising services
- Market research and opinion polling
- Technical testing and analysis services
- Software for the management of enterprises and for manufacturing/production processes

NOTE: LEGAL ADVISORY SERVICES EXCEPTION

Legal advisory services are prohibited under Art. 7, but the prohibition is specifically carved out for legal representation services (court/arbitral proceedings) where the recipient is not the Russian government or a

> state-owned entity. Pure advisory work — structuring advice, contract drafting, regulatory guidance for Russian parties — is prohibited. The line between representation and advice is operationally significant for law firms with Russian clients.

> **KEY COMPLIANCE TAKEAWAY**
> Article 7's services prohibition is categorical — it covers entire professional service categories, not just services connected to sanctioned goods or transactions. A law firm or consulting firm must assess whether its service falls within a prohibited category regardless of subject matter.

5.8 Energy Sector Restrictions (Articles 3, 3a, 3b, 3c)

5.8.1 Energy Technology Export Restrictions (Article 3 / Annex II)

Article 3 prohibits the sale, supply, transfer, or export of energy-related goods and technology listed in Annex II to Reg 833/2014, intended for use in Russia in specified energy projects (deep-water oil exploration and production, Arctic oil exploration and production, and shale oil extraction). The prohibition covers goods, related services (drilling, testing, logging), and financing.

5.8.2 Capital Restrictions — Oil Sector (Article 3a / Annex III)

Article 3a restricts transactions with entities in the Russian oil sector listed in Annex III, including equity interests, new loans, and underwriting of transferable securities issued by those entities. The same maturity thresholds and "new" instrument analysis that applies under Art. 5 (Section 5.3) applies here.

5.8.3 LNG Restrictions (Article 3e — 14th Package)

Added in the 14th package (October 2024), Article 3e imposes a ban on importing Russian LNG, including via EU ports used as trans-shipment hubs for re-export to third countries. This closed a significant gap by which Russian LNG was flowing through Belgian and French terminals before being re-exported to non-EU buyers. The restriction on trans-shipment applies to LNG loaded onto another vessel in EU ports for onward shipment to third countries.

> **WARNING: LNG TRANS-SHIPMENT THROUGH EU PORTS IS PROHIBITED**
> Prior to the 14th package, EU ports were used to trans-ship Russian LNG without triggering EU sanctions. Article 3e now prohibits this. EU port operators and shipping companies facilitating Russian LNG trans-shipment in EU ports are within scope, even where the ultimate buyer is a non-EU entity. This is a significant change for terminal operators, traders, and re-export chains.

5.9 Oil Price Cap Mechanism (Articles 3n and 3na)

The oil price cap mechanism, adopted in the 8th package, prohibits the provision of maritime transport, technical assistance, brokering, financing, and related services for the transport of Russian crude oil or petroleum products to third countries unless the price at or below the price cap is observed. As implemented:

- Crude oil (Annex XXVIII): price cap set by G7+ Coalition at USD 60 per barrel.
- Petroleum products (Annex XXX): premium products capped at USD 100 per barrel; discount products capped at USD 45 per barrel.
- The prohibition on services applies to EU service providers (ship owners, insurers, brokers, financers) regardless of whether the transaction occurs in the EU.
- Article 3na (added 14th package) establishes an information-sharing mechanism between member states and the Commission to identify shadow fleet vessels and entities engaged in deceptive practices.

SAFE HARBOR: ATTESTATION-BASED COMPLIANCE

EU operators providing maritime services may continue to serve Russian crude/petroleum product shipments if they obtain satisfactory price attestation from the purchasing counterparty confirming the price does not exceed the cap. The attestation must be retained for audit purposes. However, if an operator knows or has reasonable cause to suspect that the actual price exceeds the cap despite the attestation, the safe harbor does not apply.

KEY COMPLIANCE TAKEAWAY

The oil price cap is a third-country extraterritorial measure — it applies to EU service providers serving transactions that occur entirely outside the EU. Non-EU buyers are not bound by it; EU intermediaries (insurers, P&I clubs, banks) providing services to the transaction are.

5.10 Circumvention, Anti-Evasion, and "No Re-Export" Obligations

5.10.1 Circumvention Prohibition (Article 12)

Article 12 of Reg 833/2014 prohibits participating, knowingly and intentionally, in activities the object or effect of which is to circumvent any prohibition in the regulation. This applies to legal entities incorporated anywhere if an EU person is involved. It captures transactions routed through third-country intermediaries (Belarus, UAE, Kazakhstan, Kyrgyzstan, Armenia, Türkiye, China) to supply Russia with prohibited goods or services.

5.10.2 "No Re-Export to Russia" Clause (Article 12g)

Introduced in the 12th package and tightened in the 14th, Article 12g requires EU exporters of listed goods to include a contractual clause prohibiting re-export to Russia or re-export for use in Russia in all export contracts with buyers in specified third countries. The clause must be accompanied by appropriate remedies (contract termination, penalties). The obligation is on the EU exporter and applies even if the immediate buyer is an intermediary in a low-risk country.

Detailed guidance is published by the Commission: FAQ: No Re-Export to Russia Clause (Art. 12g).

WARNING: ART. 12g PLACES COMPLIANCE OBLIGATIONS ON EU EXPORTERS, NOT JUST BUYERS

The "no re-export" clause obligation falls on the EU exporter, not on the third-country buyer. Failure to include the clause in the export contract is itself a violation by the EU exporter — independent of whether any actual re-export to Russia then occurs. EU exporters to Annex-listed third countries must audit their standard contract templates and export documentation processes.

5.10.3 Best Efforts Obligation (Article 8a)

Article 8a, introduced in the 11th package and clarified by Commission guidance in November 2024, requires EU operators to use best efforts to ensure that entities outside the EU that the EU operator owns or controls do not participate in activities that would violate Reg 833/2014 if carried out by an EU operator. This is a conduct standard — it does not automatically attribute the non-EU entity's actions to the EU operator, but failure to take reasonable preventive steps creates liability for the EU operator.

KEY COMPLIANCE TAKEAWAY

Articles 12, 12g, and 8a form the anti-circumvention architecture of Reg 833/2014. They extend EU sanctions obligations beyond the EU's territorial and personal jurisdiction and require proactive due diligence on downstream supply chains and controlled non-EU entities.

6. Derogations and Authorizations

The EU equivalent of OFAC "general licenses" are derogations — specific exceptions built into the regulations that permit otherwise-prohibited activity, subject to conditions. Unlike OFAC general licenses, most EU derogations require prior authorization from the relevant NCA of the member state where the transaction takes place or where the authorizing institution is located. Some are self-executing (notification-only).

6.1 Key Derogations Under Regulation 833/2014

Derogation Category	Authority	Conditions
Pre-existing contracts / execution of obligations	Art. 2(3), 3(3)	Completion of a contract entered into before the date the prohibition entered force, subject to notifying the NCA 10 business days in advance of the transaction. Does not cover contracts for future delivery or open-ended frameworks entered into after the prohibition date.
Personal protective equipment / humanitarian	Art. 2(3)(a)	Goods clearly intended for humanitarian, medical, or safety purposes (excluding prohibited items). Self-executing in some member states; NCA notification or authorization required in others.
Diplomatic / consular missions	Art. 2(3)(b)	Goods for the official use of diplomatic and consular missions of third countries in Russia. Prior NCA authorization required.
Food, agricultural goods, medical products	Art. 2(3)(c)	Items clearly intended for agricultural, food, or medical purposes are generally excluded from the scope of export restrictions. Verify the specific annex list being applied — some annexes contain their own food/medicine carve-outs; others do not.
Maintenance of EU-owned vessels in Russia	Art. 3c exception	EU-owned or controlled vessels may purchase fuel (not subject to price cap) from Russian sources when required for operational maintenance, subject to strict conditions and NCA authorization.
Journalism and media	Art. 5(3)	Services or transactions necessary for news gathering and journalistic purposes are excluded from certain financial restrictions.
Sport and cultural exchange	Art. 5i	Derogation for sporting events, cultural exchanges, and certain not-for-profit activities, subject to conditions.
Unwinding pre-existing securities positions	Art. 5(3)(a)	Selling securities purchased before the applicable prohibition date is generally permitted. Acquiring new securities is not.
LNG for energy security (Art. 3e)	NCA authorization	A temporary derogation allows certain member states that depend on Russian LNG for energy security to continue importing Russian LNG with NCA authorization, subject to sunset provisions.

CRITICAL: NO BLANKET HUMANITARIAN DEROGATION

There is no general humanitarian derogation in Reg 833/2014 equivalent to OFAC's general license for humanitarian transactions. Humanitarian carve-outs in Reg 833/2014 are category-specific and article-specific. An NGO shipping medical supplies to Russia must analyze each item against the specific annex and provision under which it might be prohibited, then identify whether a humanitarian carve-out exists for that specific provision. Do not assume that humanitarian purpose provides a blanket exception.

6.2 Derogations Under Regulation 269/2014 (Asset Freeze)

See Section 4.4 above for the main derogations from the Article 2 asset freeze. The key points for Reg 269/2014 derogations:

- Most derogations require prior NCA authorization, not just notification.
- The NCA with jurisdiction is typically the NCA of the member state where the frozen assets are held or where the transaction is to be executed.
- Authorizations are time-limited and purpose-specific. An authorization to release funds for legal fees does not authorize the release for any other purpose.
- Member states must notify other member states and the Commission of derogations granted under Art. 4 of Reg 269/2014 that have cross-border implications.

KEY COMPLIANCE TAKEAWAY

Never assume a derogation is available without reading the specific article and verifying with the relevant NCA. Each derogation has its own conditions, notification/authorization requirements, and scope. An overly broad reliance on derogation availability is a common compliance failure mode.

7. Compliance Quick-Reference Checklist

Step-by-step transaction-level checklist. This checklist addresses the key questions practitioners should work through before authorizing any Russia-connected transaction.

#	Check	Action / Authority
1	Screen ALL parties (buyer, seller, intermediary, beneficial owner, shipper, port, vessel) against Reg 269/2014 Annex I	Use EU Consolidated Financial Sanctions List + EU Sanctions Map. If listed: freeze assets; notify NCA; no dealings without prior NCA authorization.
2	Screen ALL parties against Reg 833/2014 Annex IV (export-restricted entities)	EU Consolidated List does NOT include Annex IV entities. Separate list-check required. If listed: export of Annex VII / Annex X goods is prohibited.
3	Apply "owned or controlled" analysis for any entity with Russian ownership	No fixed threshold. Assess direct/indirect ownership AND control indicators (board, voting, contractual rights). If controlled by Annex I listed person: treat as listed.
4	For goods exports: identify all applicable annex lists (Annex I [dual-use], Annex VII, Annex X, Annex IV entities)	Check the current consolidated Reg 833/2014 for all applicable annexes. Use the EUR-Lex consolidated text, not an earlier version or summary.
5	For imports: check whether goods are Russian-origin and covered by Art. 3g–3o import bans	Apply EU customs origin rules. Verify processing in third countries did not create non-Russian origin.
6	For financial transactions: identify the counterparty's status under Art. 5 (Annex III / Annex VI entities)	Check if the institution is an Annex III or VI entity; apply maturity thresholds (90 days / 30 days) as applicable.
7	For payment services: apply Art. 5b analysis	Is the payment recipient a Russian national, Russia resident, or Russia-incorporated entity? If yes: payment service likely prohibited. Check for applicable derogations.
8	For services: check Art. 7 and Art. 5aa categories	Is the service one of the listed professional/IT/legal/management services? If yes: prohibition likely applies to Russian government and state entities.
9	For energy-related transactions: apply Art. 3 / 3a / 3b / 3e	Deep-water / Arctic / shale oil? Covered. LNG imports / trans-shipment? Covered. Maritime services for Russian crude oil: apply price cap (Art. 3n).
10	For goods exports to third countries: assess Art. 12g "no re-export" clause obligation	If buyer is in a country listed for Art. 12g purposes and goods are within scope: contract MUST include no re-export clause with effective remedies.
11	For EU operators with non-EU subsidiaries or affiliates: Art. 8a best efforts	Implement policies, contractual restrictions, and oversight mechanisms to prevent non-EU affiliates from engaging in conduct prohibited by Reg 833/2014.
12	Identify any available derogation	Match transaction against applicable derogation article; confirm NCA authorization is required vs. notification-only; engage NCA if needed; document derogation basis.
13	Record-keeping	Maintain all transaction documentation, screening results, and NCA authorizations for audit. Most member states require 5–10 year retention.

KEY COMPLIANCE TAKEAWAY

The 20th package has expanded the number of applicable annex lists, derogation categories, and entity-specific restrictions substantially. Any checklist based on an older version of Reg 833/2014 may be missing critical steps. Recertify your compliance procedure against the current consolidated regulation annually at minimum.

8. Sanctions Lists Comparison

EU Russia sanctions involve multiple lists, each with different legal effects, different screening implications, and different relationships to the "owned or controlled" standard. Practitioners must understand which list applies to which type of restriction.

List	Instrument	Included in Consol. Fin. Sanctions List?	"Owned/Controlled" Analysis Required?	Effect of Listing
Annex I (Reg 269/2014)	Council Implementing Regulations under Reg 269/2014	YES	YES — extends freeze to owned/controlled entities	Full asset freeze; prohibition on making funds/resources available; travel ban (under Decision 2014/145/CFSP).
Annex III (Reg 833/2014)	Council Reg 833/2014 (financial sector entities)	NO	YES — Art. 5 restrictions extend to "directly or indirectly" controlled entities	Capital markets restrictions (equity, debt, money market instruments); lending restrictions; SWIFT-related prohibitions for specific banks.
Annex IV (Reg 833/2014)	Council Reg 833/2014 (military-industrial entities)	NO	PARTIAL — assess for circumvention	Tighter export restrictions for Annex VII / Annex X goods. No asset freeze. NOT in Consolidated Financial Sanctions List.
Annex VI (Reg 833/2014)	Added post-2022 (major state-owned enterprises)	NO	YES	Equity capital market restrictions (no purchase of shares / equity instruments).
Annex XLIV (Reg 833/2014)	14th Package — SPFS users	NO	Assess	Prohibition on direct/indirect transactions with listed third-country SPFS users.
Shadow fleet vessel list (under Reg 833/2014)	Ongoing additions from 15th package onwards	PARTIAL	Assess	EU port access restrictions; prohibition on EU services (insurance, bunkering) to listed vessels.

CRITICAL: MULTIPLE LIST CHECKS ARE MANDATORY

EU sanctions screening requires checking MULTIPLE distinct lists — not just the EU Consolidated Financial Sanctions List. Screening only Reg 269/2014 Annex I will miss Annex III and Annex IV restrictions under Reg 833/2014, which have different legal effects. A transaction with a major Russian bank that is not in Annex I (no asset freeze) may still be prohibited under Art. 5 (capital markets / SWIFT restrictions via Annex III). Compliance systems must be configured to check all relevant lists.

KEY COMPLIANCE TAKEAWAY

No single EU sanctions list captures all Russia-related restrictions. A complete screening workflow must address Reg 269/2014 Annex I (asset freeze), Reg 833/2014 Annexes III and VI (financial restrictions), and Reg 833/2014 Annex IV (export entity restrictions) as distinct checks.

9. Key European Commission Guidance (FAQ Topics)

The European Commission publishes interpretive guidance in the form of topic-specific FAQ documents. These are not legally binding but are the authoritative non-binding source for how the Commission interprets the regulations. Key guidance publications, all accessible from the EU Russia Sanctions FAQ index:

FAQ Document	Topic	Key Guidance Points
General Questions FAQ	General scope; circumvention; due diligence; execution of contracts and claims	Scope of "owned or controlled"; what constitutes making funds available; scope of pre-existing contract derogations; claims prohibition under Art. 11.
Consolidated Version (All Topics)	All FAQ topics in one consolidated PDF	Supersedes topic-specific documents where they conflict. Updated periodically. Most comprehensive single reference.
No Re-Export to Russia Clause	Art. 12g implementation	Which contracts require the clause; which goods are covered; model clause language; remedies that satisfy the obligation; timing of obligation.
Provision of Payment Services	Art. 5b(2) — March 2026	Who is a "Russian national" for Art. 5b purposes; Type D visa holders; allocation of compliance responsibility among PSP chains; non-Russian entities with Russian ownership.
Import/Export Listed Goods FAQ	Annex VII, Annex X, and revenue-generating goods	Export ban timing; origin rules for import bans; transit restrictions; re-export for non-Russian destinations.
Oil and Energy FAQ	Oil price cap; LNG; Art. 3 energy sector	Price attestation process; maritime services scope; LNG trans-shipment prohibition; energy-security derogations.
Financial Services FAQ	Deposits, SWIFT, CSDs, crypto assets	EUR 100,000 deposit ceiling mechanics; SWIFT prohibition scope; crypto-asset threshold; CSD services restriction.

NOTE: FAQ UPDATES MAY MODIFY OR SUPERSEDE PRIOR GUIDANCE

Commission FAQ documents are updated without advance notice. The Commission's position on a specific provision can shift between FAQ versions, particularly after major package amendments. Always check the date on the FAQ document you are relying on and compare against the current consolidated version to ensure no material change has occurred since that FAQ was published.

10. Official Document Index

10.1 Primary Legislation (Regulations)

Instrument	Date	EUR-Lex
Council Regulation (EU) No 833/2014 (Sectoral Sanctions — consolidated)	31 July 2014 (consol. to Jan 2026)	Consolidated text incorporating all 20 packages. The operative reference for all sectoral sanctions analysis.
Council Regulation (EU) No 269/2014 (Individual Listings — consolidated)	17 March 2014 (consol. to May 2025)	Asset freeze regulation. Consolidated text includes all listing updates and structural amendments through mid-2025.
Council Regulation (EU) No 692/2014 (Crimea / Sevastopol)	23 June 2014 (consol. Sept 2024)	Import ban on Crimea/Sevastopol goods; investment and services restrictions.
Regulation (EU) 2022/263 (Donetsk / Luhansk / Zaporizhzhia / Kherson)	24 Feb 2022	Extends Reg 692/2014-type restrictions to Russian-controlled non-government-controlled areas of Donetsk, Luhansk, Zaporizhzhia, and Kherson oblasts.
Regulation (EU) 2026/506 (20th Package — Sectoral)	23 April 2026	Latest amendment to Reg 833/2014. Adds Art. 11ca (anti-anti-arbitration injunction tool).
Regulation (EU) 2026/511 (20th Package — Individual Listings)	23 April 2026	Latest amendment to Reg 269/2014. Adds Art. 5c (crypto-asset restrictions for listed persons).

10.2 CFSP Council Decisions (Travel Ban Authority)

Instrument	Date	Subject
Decision 2014/512/CFSP	31 July 2014	Counterpart CFSP Decision to Reg 833/2014 (sectoral sanctions).
Decision 2014/145/CFSP	17 March 2014	Counterpart CFSP Decision to Reg 269/2014 (individual listings and travel bans). Extended through September 2025 by Decision (CFSP) 2025/528.
Decision 2014/386/CFSP	23 June 2014	Counterpart to Reg 692/2014 (Crimea/Sevastopol).

10.3 European Commission Resources and Guidance

Resource	Type	URL
DG FISMA Russia Sanctions Page	Commission overview page	Central reference for all official Commission information, news, and document links on EU Russia sanctions.
FAQ Index (All Topics)	Commission guidance	All FAQ topic documents. Filter by Finance / Trade / Energy.
Consolidated FAQ Version	Commission guidance	Single consolidated PDF of all FAQ guidance. Most comprehensive reference.
No Re-Export Clause FAQ	Commission guidance	Art. 12g implementation guidance.

Resource	Type	URL
Payment Services FAQ (March 2026)	Commission guidance	Art. 5b(2) payment services prohibition guidance, most recent as of March 2026.
EU Consolidated Financial Sanctions List	Sanctions list	Managed by DG FISMA. Lists all Reg 269/2014 Annex I persons/entities subject to asset freeze. Downloadable as XML/PDF.
EU Sanctions Map	Search tool	EEAS-maintained interactive map of all EU sanctions regimes. Includes travel ban and asset freeze listings.
EUR-Lex	EU legal database	Official gateway to EU law. Use for consolidated texts of Reg 833/2014, Reg 269/2014, and all amending regulations.
Overview of Sanctions Resources	Commission portal	Links to Consolidated List, EUR-Lex, sanctions helpdesk, and related resources.