

# EU sanctions against Russia 2025: State of play, perspectives and challenges

## SUMMARY

In response to Russia's illegal and unprovoked full-scale invasion of Ukraine in February 2022, the European Union swiftly adopted unprecedentedly tough sanctions, in close cooperation with partners including the United States, the United Kingdom, Canada, Australia and Japan. The rapid succession of 15 packages of EU sanctions adopted since then have resulted in an unparalleled set of measures targeting Russian political elites and key sectors of the Russian economy. New sanctions have also been adopted against Belarus, Iran and North Korea in response to their involvement in Russia's war of aggression. Furthermore, in 2024 the EU adopted two new regimes of sanctions, addressing human rights violations and repression in Russia (May 2024), and responding to Russia's destabilising activities ('hybrid attacks') abroad (October 2024).

The unprecedented nature of the sanctions imposed on Russia, in scale and scope, has created new implementation challenges. Member States and EU institutions have renewed efforts to improve the enforcement of sanctions and to close loopholes to prevent circumvention, including reinforcing cooperation with third countries. A specific anti-circumvention tool was included in the 11th package of sanctions (June 2023), followed by additional measures in the successive packages, including those to counter Russia's 'shadow fleet'. Furthermore, a newly adopted EU directive (April 2024) obliges the EU Member States to introduce minimum criminal offences and penalties for violating and circumventing EU sanctions. It also aims to improve cross-border cooperation on investigations, prosecutions and sentencing of EU sanctions violations.

Since Russia's illegal annexation of Crimea and Sevastopol in 2014, the European Parliament has been a vocal advocate of severe sanctions. It has unequivocally condemned Russia's unjustified aggression against Ukraine, demanded broader and better-enforced sanctions and called for the confiscation of Russian assets frozen by the EU to pay for Ukraine's reconstruction. Parliament has demanded a full review of more centralised EU-level oversight of sanctions implementation and a full ban on liquefied natural gas (LNG) imports, among other measures.

*This briefing updates and complements a previous [briefing published in September 2023](#).*



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## EPRS | European Parliamentary Research Service

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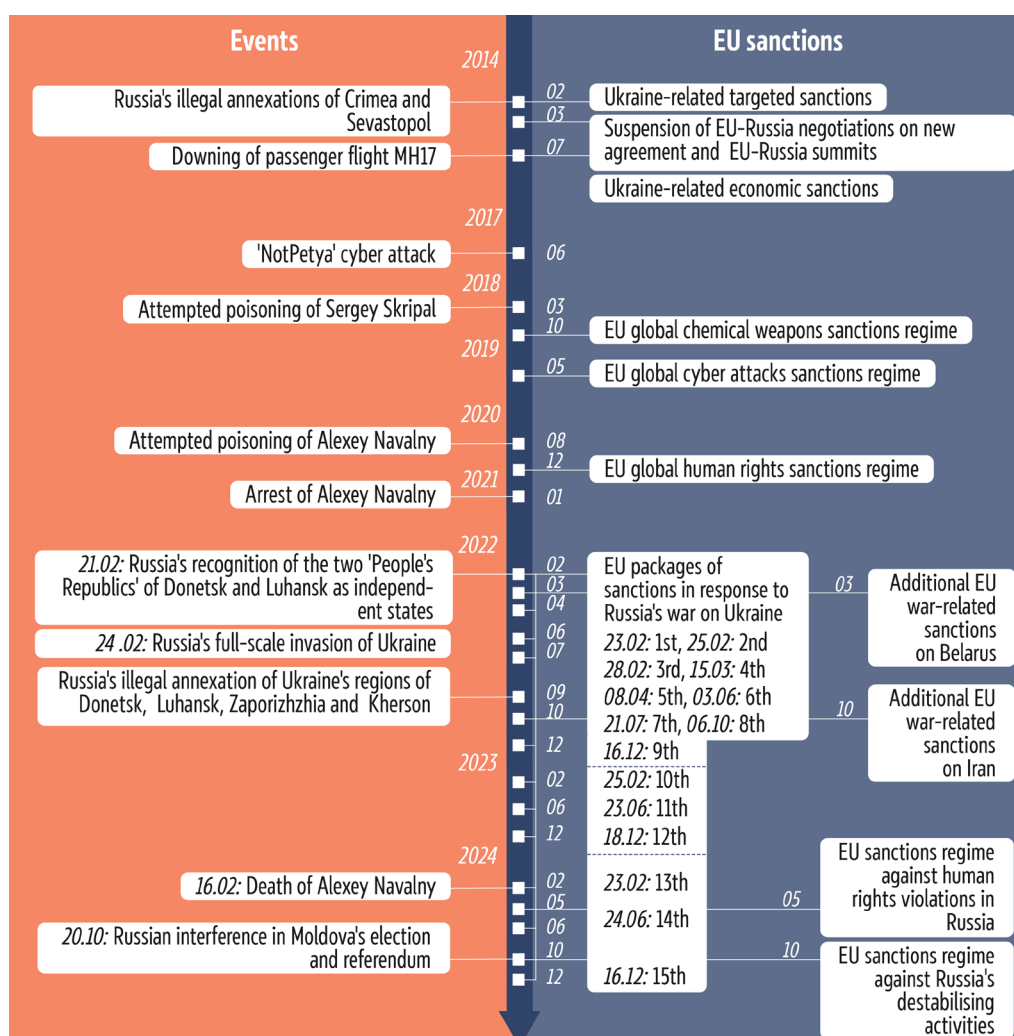
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## EU sanctions on Russia: State of play (January 2025)

Figure 1 – Timeline of EU sanctions



Source: EPRS.

The EU's first set of [restrictive measures](#) (sanctions) against Russia was [adopted](#) in March 2014, following Russia's illegal annexation of Crimea and Sevastopol and its support for a separatist insurgency in eastern Ukraine. This marked the start of a [major review](#) of EU policy on Russia. Russia's actions during the August 2008 [Russia-Georgia war](#) had previously been [condemned](#) in statements and [resolutions](#), but did not trigger sanctions, despite Georgia's [request](#) for 'smart sanctions'.

Russia's illegal and unprovoked full-scale invasion of Ukraine in February 2022 was immediately met with a new set of EU sanctions, meant to be [unprecedented](#) in scale and nature, and coordinated with global partners. In what has been labelled a '[sanctions revolution](#)', EU Member States have adopted 15 sanctions packages in [swift succession](#) over the nearly three years since the start of the invasion. Each package has incrementally amended and broadened the scope of sanctions regimes adopted from 2014 onwards, with the addition (in February 2022) of a new regime banning imports of goods originating in the illegally annexed territories of Donetsk, Luhansk, Kherson and Zaporizhzhia to the EU. Furthermore, in 2024 the EU adopted two new sanctions regimes, addressing human rights violations and repression in Russia (in May 2024), and responding to Russia's destabilising activities ('hybrid attacks') in Europe and beyond (in October 2024) (Annex I).

In addition to **individual** (also known as 'targeted') and **economic** sanctions, a number of subsequent **diplomatic** sanctions were imposed, including the [suspension of visa facilitation](#) between the EU and Russia. Together with other World Trade Organization (WTO) members, the EU decided to deny [most favoured nation \(MFN\) treatment](#) for Russian products and services on EU markets. Beyond Russia, the EU has adopted additional sanctions against [Belarus](#), in response to its involvement in the invasion of Ukraine, on [Iran](#), in relation to the supply of drones and ballistic missiles to Russia, and on [North Korea](#), for its military support for Russia's aggression.

The [cumulative effect](#) of successive waves of EU sanctions since February 2022, constituting an exponential escalation of the 2014 sanctions, is intended to weaken Russia's economic base and curtail its ability to wage war. It is also designed to hamper Russia's access to military technologies and components, while targeting political and economic elites to undermine their support for the regime.

Sanctions imposed by the EU on Russia to date [include](#):

- **Individual 'targeted' sanctions**, applicable to almost 2 400 individuals and entities, consisting of travel bans and financial restrictions (asset-freezing and a prohibition on making funds or economic resources available); individual assets frozen in the EU amount to **€24.9 billion** so far. The list includes Russian officials, elites and propagandists, comprising Russian President Vladimir Putin, members of the Russian parliament, commanders of the Wagner group and prominent oligarchs, as well as their associated entities and, in some cases, members of their families. The criteria for listing have been progressively broadened and now, besides individuals and entities responsible for, or actively supporting, Russia's invasion of Ukraine, it includes leading businesspeople who provide a substantial source of revenue to Russia's government, individuals involved in sanctions circumvention and individuals benefiting from the forced expropriation of EU entities by Russia. Under the [15th package](#), the EU imposed, for the first time, fully-fledged sanctions (travel ban, asset freeze, prohibition on making economic resources available) on various Chinese actors supplying drone components and microelectronic components in support of Russia's war of aggression against Ukraine (full list of targeted individuals and entities in Annex 1 of [Council Decision](#) 2014/145/CFSP).
- Economic (or sectoral) sanctions, imposing restrictions on exchanges with Russia in specific economic sectors, regulated by [Council Decision](#) 2014/512/CFSP and [Council Regulation \(EU\) No 833/2014](#) and including (non-exhaustive list):

*Financial measures:*

- ✓ immobilisation of Russia's Central Bank reserve holdings, [estimated](#) at **€210 billion worth of assets in the EU** (Article 5a Council Regulation (EU) No 833/2014);
- ✓ disconnection of 10 leading Russian financial institutions – including Russia's largest bank, Sberbank – from the SWIFT international financial messaging system (Article 1e Council Decision 2014/512/CFSP, Annex VIII). In addition, under the 14th package the EU banned the use of the 'System for Transfer of Financial Messages' (SPFS) of the Central Bank of Russia, or of any equivalent specialised financial messaging services set up by the Central Bank of Russia (Article 1ad Council Decision 2014/512/CFSP);

EU sanctions on Russia, 2022–2024

1st package – [23 February 2022](#)

2nd package – [25 February 2022](#)

3rd package – [28 February 2022](#)

4th package – [15 March 2022](#)

5th package – [8 April 2022](#)

6th package – [3 June 2022](#)

7th package – [21](#) and [22 July 2022](#)

8th package – [6 October 2022](#)

9th package – [16 December 2022](#)

10th package – [25 February 2023](#)

11th package – [23 June 2023](#)

12th package – [18 December 2023](#)

13th package – [23 February 2024](#)

14th package – [24 June 2024](#)

15th package – [16 December 2024](#)

Data source: Council [Timeline](#).

- ✓ prohibitions on a range of financial interactions, financial rating services and transactions with Russia, as well as prohibitions on the provision of banknotes and sale of securities, crypto services and trust services;
- ✓ full exclusion of Russia from public contracts and European funding;

*Trade-related and investment measures:*

- ✓ arms embargo;
- ✓ **export bans**, prohibiting exports to Russia (including [transit](#)) of a wide range of products:
  - dual-use goods and advanced technology, drone engines, and other goods that could be used on the battlefield;
  - aviation, space industry and maritime navigation goods and technology (e.g. semiconductors);
  - IT, electronic and optical components, as well as other goods that could enhance Russia's industrial capacities;
  - [luxury goods](#);
  - goods and technologies in the oil-refining sector;
  - prohibition of new investments in the Russian energy, mining and quarrying sector (with notable exceptions for the last two, including aluminium);
  - other energy industry equipment, technology and services;
  - the [14th package](#) introduced a ban on reloading services for Russian liquefied natural gas (LNG) on EU territory for the purpose of transshipment operations to third countries, and a ban on new investments for the completion of LNG projects under construction;
- ✓ **import bans**, prohibiting imports from Russia (or products of Russian origin) of a wide range of products,<sup>1</sup> including:
  - [coal](#) and [crude oil and petroleum products](#), phased and with limited exceptions, [covering](#), to date, around 90 % of previous EU oil imports from Russia;
  - in parallel, the [EU/G7+](#) placed a [price cap](#) on Russian crude oil and petroleum products exported to third countries, prohibiting the provision of maritime transport, [insurance](#) and other assistance services for the transport of products sold above the cap (set at US\$60 per barrel);
  - liquefied propane (LPG);
  - the [following products](#): steel, iron and pig iron; cement, bitumen and asphalt; copper and aluminium wires, tubes and pipes; wood, paper, synthetic rubber and plastics; helium; seafood, spirits, cigarettes and cosmetics; [diamonds](#) (as part of an internationally coordinated G7 diamond ban) and gold, including jewellery; other goods which generate significant revenues for Russia (as per Article 3i, Annex XXI, Council Regulation (EU) 833/2014);

*Other restrictive measures:*

- ✓ closure of EU [airspace](#), seaports, and roads to Russian aircraft, vessels, and transport carriers and operators, respectively (with limited exceptions);
- ✓ [suspension](#) of the broadcasting activities in the EU of several Russian state-owned media outlets, including, to date, 24 entities (as per Article 2f, Annex XV of Council Regulation No 833/2014);
- ✓ ban on EU nationals from holding posts in the governing bodies of certain Russian state-owned enterprises ([8th package](#));
- ✓ prohibiting (as of 27 March 2023) Russian nationals or persons residing in Russia from holding any position on the governing bodies of EU critical infrastructure and entities ([10th package](#));
- ✓ prohibiting political parties, foundations and non-governmental organisations, including think tanks, from accepting funding from Russia ([14th package](#)).

## Anti-circumvention measures

Since the imposition of widespread trade restrictions on Russia in 2022, countering sanctions circumvention has been a permanent [challenge](#), due to the complexity of global supply chains and the fact that sanctions against Russia are multilateral, but [not global](#): major jurisdictions such as China and India are continuing (and expanding) trade relations with Russia. Several [investigative](#) reports have pointed to existing circumvention schemes, often via third-country imports, direct or indirect re-export, or false transit. **Exports from the EU to Russia's neighbouring and important trade partners increased remarkably** between 2021 and 2023 (Table 1). A detailed cross-analysis of trade flows has been instrumental in defining potential high-risk zones in sanctions circumvention.

Table 1 – EU exports (€ million)

	2021	2022	2023	Increase 2021-2023 (%)
Armenia	757.4	1 885.6	2 159.4	185
Azerbaijan	1 468.0	2 129.6	2 354.5	60
Georgia	2 045.1	3 227.8	3 620.7	77
Kazakhstan	5 487.1	10 347.1	12 113.2	121
Kyrgyzstan	263.2	1 170.9	2 729.6	937
Tajikistan	237.8	261.3	325.5	37
Turkmenistan	840.0	604.0	669.5	-20
Türkiye	79 128.4	99 555.7	111 387.8	41
United Arab Emirates	29 805.6	35 686.0	38 836.5	30
Uzbekistan	2 298.6	3 766.0	4 353.0	89

Data source: [Eurostat](#).

According to a [report](#) by the International Working Group on Russian Sanctions and the Kyiv School of Economics, almost half of Russia's imports of battlefield items in the first 10 months of 2023 ultimately came from manufacturers based in sanctioning countries. The EU has intensified its focus in this area.

A specific [anti-circumvention tool](#) was introduced under the 11th package to combat circumventions, by or through third-country operators, of export bans. This tool, conceived as a last resort in case alternative engagement with third countries fails, allows the **EU to ban exports of sensitive goods to third-country operators** that significantly undermine EU sanctions by re-exporting dual-use goods and other critical components to Russia. Successive sanctions [packages](#) have imposed tighter export controls on a number of entities located in third countries such as India, Sri Lanka, China, Serbia, Kazakhstan, Thailand and Türkiye (Annex IV to Regulation (EU) No 833/2014). The anti-circumvention tool allows the EU to go further and ban EU exports to third countries 'whose jurisdiction is demonstrated to be at a continuing and particularly high risk of being used for circumvention', although this radical measure has not yet been used.

The [no re-export to Russia clause](#), incorporated under the 12th package (Article 12g), introduces a legal requirement for EU operators to insert 'no re-export to Russia' clauses in their contracts, mandatory for certain sensitive goods such as aviation, jet fuel, firearms and [Common High Priority Items \(CHPIs\)](#). The CHPIs list, established by the EU in coordination with the US, the UK and Japan, identifies several prohibited dual-use goods and advanced technology items used in Russian military systems found on the battlefield in Ukraine or critical to the development, production or use of those military systems. It currently includes 50 items and supports due diligence and effective compliance by exporters and targeted anti-circumvention actions by third-country authorities, under [guidelines](#) issued by the G7. The EU [has identified economically critical goods](#) for which businesses and third countries are asked to be especially vigilant.

The EU has also stepped up **EU 'sanctions diplomacy'**: [David O'Sullivan](#), the EU Sanctions Envoy, leads an [intensive](#) outreach effort towards third countries in order to establish anti-circumvention

systems in jurisdictions at risk of facilitating sanctions evasions (including Türkiye, Central Asia, the South Caucasus, China, Vietnam and the United Arab Emirates).

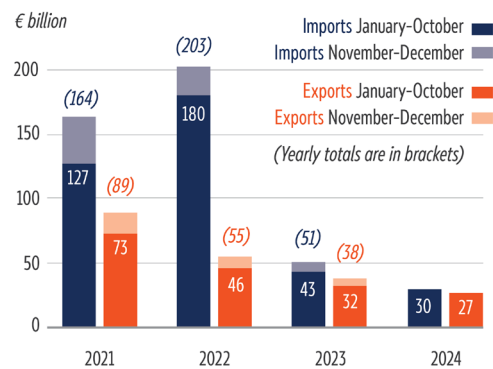
Specific provisions to counter Russia's so-called '**shadow fleet**', increasingly used by the Russian government to **circumvent** the sanctions and **continue selling** Russian oil above the price cap worldwide, have been adopted under the 11th, 12th, 14th and 15th sanctions packages. They include: banning the entry to EU ports of vessels having engaged in deceptive activities; monitoring the sale of EU vessels to third countries; designating vessels found to be engaged in high-risk shipping practices when transporting Russian oil or petroleum products, in arms deliveries, grain theft, or supporting the Russian energy sector. Designated vessels are subject to a port access ban and a ban on the provision of services; their total number to date is 79 (all non-EU). Similar actions have been undertaken by the UK and the US (the US has **targeted** 183 vessels).

## Impact on EU-Russia trade

EU sanctions now cover more than 54 % of exports, 58 % of imports and 16 % of business services involved in pre-war EU-Russia trade, leading to a 75 % decline in the volume of EU-Russia trade (Figure 2). In 2024, EU-Russia trade represented only 1.4 % of total EU external trade, compared with 5.7 % in 2021.<sup>2</sup>

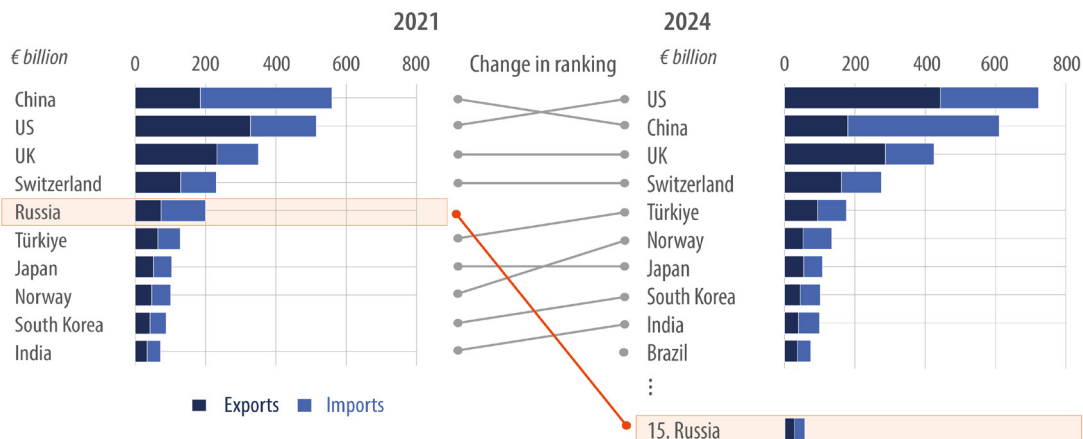
In the ranking of the EU's main trading partners, Russia has fallen from 5th position in 2021 to 15th in 2024 (Figure 3).

Figure 2 – EU trade with Russia, trade in goods in the first 10 months of each year between 2021 and 2024, in € billion



Source: EPRS, data from [Eurostat Comext](#).

Figure 3 – EU main trade partners, change in ranking between 2021-2024 (data of the first months of each year)



Source: EPRS, data from [Eurostat Comext](#).

The impact of international sanctions on **Russia's economy**, almost three years after the adoption of the first package, continues to be widely **researched** and **debated**. Key indicators point to undeniable **cracks** beneath Russia's apparent resilience, and to the **key role** played by international sanctions. While GDP growth has been sustained by robust military spending, sanctions have raised transactional costs. The rouble fell by nearly 25 % from its summer 2022 peak and the government has limited options to stabilise the currency, with half of Russia's foreign exchange reserves immobilised due to sanctions. A shortage of labour, exhausted production capacities, and stagnating

export revenues due to sanctions point to a turn towards economic stagnation. A record key interest rate of 21 % is hampering internal growth, but is unable to tame [persistently](#) rising inflation (9.5 % in December 2024), while preferential loans to war-related businesses, imposed by the government, are [ballooning](#) and constitute a growing source of [financial vulnerability](#) for Moscow.

## Other developments in 2024: Two new sanctions regimes and an EU directive on the violation of sanctions

### Restrictive measures in relation to human rights violations in Russia

Following the death of the Russian opposition politician Alexei Navalny in a Siberian prison in February 2024, and in response to increasing political repression in Russia, on 27 May 2024 the Council established a [new sanctions regime](#) against persons and entities responsible for human rights violations and abuses, repression of civil society and democratic opposition and undermining democracy and the rule of law in Russia. It is the only [sanctions regime](#) against Russia that is not related to its aggression against Ukraine. The new [regime](#) complements the EU global human rights sanctions regime, allowing the EU to decide on further Russia-specific measures (e.g. trade restrictions) in response to human rights abuses and internal repression in the country. Previously, on 22 March 2024, [33 individuals and two entities](#) (namely, the penal colonies that held Alexei Navalny) were sanctioned by the EU under the [EU global human rights sanctions regime](#), in connection with Navalny's death.

The new sanctions framework is based on [Council Decision \(CFSP\) 2024/1484](#) and [Council Regulation \(EU\) 2024/1485](#), both adopted on 27 May 2024. On the same day, the Council adopted the first designations under this regime: 19 individuals (judges, prosecutors and members of the judiciary who played a key role in the imprisonment of Alexei Navalny and in sentencing other human rights defenders) and one entity (the Federal Penitentiary Service of the Russian Federation, the central authority managing the penal colonies where Navalny was held and died). The persons and entity on the list are subject to an asset freeze and EU citizens and companies are forbidden from making funds available, directly or indirectly, to them. The natural persons are also subject to an EU travel ban. In addition, the EU banned the sale, supply, transfer or export to Russia of equipment that might be used for internal repression, as well as related technical or financial assistance. A similar ban is instated on the export of surveillance equipment, technology or software. The regime is in force until 28 May 2025 and subject to renewal.

### Restrictive measures in view of Russia's 'hybrid attacks'

On 8 October 2024, the Council instituted a new sanctions regime in response to Russia's destabilising activities in the EU and elsewhere, through actions such as: undermining democratic political processes; inciting and supporting violent demonstrations; supporting and facilitating acts of violence and intimidation towards persons critical of the Russian Federation's policies or actions; information manipulation or interference; actions targeted at the functioning of democratic institutions, economic activities or services of public interest, including sabotage or malicious cyber activities intended to interfere with or damage critical infrastructure; instrumentalisation of migrants; instigating or facilitating an armed conflict in a third country or exploiting an armed conflict and instability in a third country, including through the illicit exploitation of trade in natural resources and wildlife.

The move came in the context of an increasing number of activities – part of a coordinated [hybrid campaign](#) by Russia – intended to destabilise and weaken the EU and its Member States.

The new framework is based on [Council Decision \(CFSP\) 2024/2643](#) and [Council Regulation \(EU\) 2024/2642](#) of 8 October 2024, which institute a travel ban against designated individuals, an asset freeze against listed individuals and entities and the prohibition addressed to EU persons and entities from making funds and economic resources available to those listed. Derogations and

exemptions to the restrictive measures are possible, including for the delivery of humanitarian aid. The sanctions are in place for one year, until 9 October 2025, with the possibility of renewal. On 16 December 2024, the Council listed [16 persons and three entities](#) under this framework, including individuals and entities linked to the GRU (Russia's military intelligence agency) or active in Russian intelligence operations or disinformation campaigns on EU soil as well as in some African states.

## Directive on the harmonisation of criminal offences and penalties for violating EU sanctions

Unlike their adoption, which is centralised at EU level, the **implementation and enforcement of EU restrictive measures are the responsibilities of the Member States**, under the monitoring and [guidance](#) of the European Commission. For over two decades, there has been recognition of the need to standardise and strengthen the implementation of EU restrictive measures, as attested by the adoption of various [guidelines](#) and [best practices](#) for the implementation of EU sanctions. The considerable [discrepancies](#) between Member States' sanctions frameworks have been manifest, in particular, through the heterogeneity of the national authorities involved in implementing and enforcing sanctions, the uneven implementation of sanctions across the EU, and the [differences](#) in national laws regarding the criminalisation of sanctions violations and the types and levels of penalties for such violations (which is said to increase the risk of 'forum shopping' and undermine the credibility of the EU's objectives).

Russia's war of aggression against Ukraine prompted a sense of urgency in the EU in ensuring effective and consistent implementation of sanctions, including improving enforcement. In November 2022, the Council added the [violation of EU sanctions](#) to the list of serious cross-border crimes in Article 83(1) TFEU, a necessary step for allowing EU action in this area. On 24 April 2024, [Directive \(EU\) 2024/1226](#) on the definition of criminal offences and penalties for the violation of EU restrictive measures was adopted. It entered into force on 19 May 2024 and must be transposed by Member States by 20 May 2025. The directive establishes minimum rules across the EU regarding criminal offences and penalties for the violation and circumvention of EU sanctions, but also aims to foster cross-border investigations and prosecutions and to improve the effectiveness of national enforcement chains when it comes to investigations, prosecutions and sanctioning.

In the meantime, since 2021 a series of [enforcement actions](#) against sanctions violations across the EU have led to arrests and convictions, including in cross-border [cases](#); however, many enforcement challenges remain, including the limited number of published decisions concerning breaches and the lack of a platform centralising these decisions. The implementation of Directive (EU) 2024/1226 should contribute positively to the development of a tighter enforcement framework regarding sanctions violations and circumvention in the EU.

### Criminal offences and penalties under the directive

As sanctions violation was not a criminal offence in some Member States, the directive ensures that all Member States criminalise the violations of EU restrictive measures, if **committed intentionally**, as well as certain conduct intended to circumvent EU sanctions (Article 3). The offences related to the **violations** of prohibitions and restrictions contained in EU sanctions include: making available funds or economic resources to designated persons and entities; failing to freeze the designated persons or entities' funds and economic resources; enabling the entry or transit of designated persons through a Member State's territory; engaging in prohibited trade in goods or services, etc. The **circumvention** of EU restrictive measures is also a criminal offence – for example, by concealing funds belonging to designated persons, entities or bodies, failing to provide information or providing false or misleading about such funds and economic resources to the competent authorities.

In addition, Member States must criminalise conduct committed with **serious negligence** (the [definition](#) of which is left to the Member States) when it involves prohibited trading in, and the provision of services related to, military or dual-use goods. On the other hand, Member States may



decide not to criminalise violations involving funds, economic resources, goods, services, transactions or activities of a value of less than €10 000. According to Article 4, inciting, as well as aiding and abetting the commission of offences described above, are also criminal offences; Member States must criminalise the attempt to commit most of the above offences. The directive introduces an exemption for the provision of humanitarian assistance.

The directive also harmonises the criminal penalties against natural and legal persons for the commission of offences listed in Articles 3 and 4. These must be effective, proportionate and dissuasive. Member States must also ensure that accessory criminal and non-criminal penalties or measures are available. These may include fines, withdrawal of permits or authorisations, temporary bans on running for public office, etc. for natural persons, and exclusion from entitlement to public benefits or aid; exclusion from access to public funding; withdrawal of permits and authorisations to pursue activities resulting in the criminal offence; judicial winding-up; closure of the establishments used for committing the criminal offence, etc. for liable legal persons.

Table 2 – Penalties for natural persons

Criminal offences	Penalties for natural persons
Certain offences involving funds and economic resources of at least €100 000 (making funds available to designated persons and entities; failure to freeze funds and economic resources; circumventing sanctions by trying to conceal the funds and providing inaccurate information to the authorities)	Maximum prison term of at least 5 years
Offences involving prohibited trade in goods and provision of services with a value of at least €100 000, as well as in military and dual-use goods and related services (for which no value threshold is imposed)	Maximum prison term of at least 5 years
Enabling the breach of a travel ban	Maximum prison term of at least 3 years
Circumventing sanctions by failing to report to the competent authorities the relevant funds and economic resources (self-reporting obligation of the designated persons and third-party obligation to provide information to the competent authorities on frozen and not yet frozen funds of designated persons, entities and bodies), if the value of these funds and economic resources is at least €100 000	Maximum prison term of at least 1 year

Source: EPRS.

Table 3 – Penalties for legal persons

Criminal offences	Penalties for legal persons
Circumventing sanctions by failing to report to the competent authorities the relevant funds and economic resources (no threshold indicated)	The fines must be at least 1% of the total worldwide turnover of the legal person, either in the business year preceding that in which the offence was committed, or in the business year preceding the decision to impose the fine, or, alternatively, €8 million.
The rest of the offences (no threshold) in Article 3	The fines applicable must be no less than 5% of the total worldwide turnover, either in the business year preceding that in which the offence was committed, or in the business year preceding the decision to impose the fine, or, alternatively, €40 million.

Source: EPRS.

## Other provisions

The [directive](#) includes a series of aggravating or mitigating circumstances, which must be taken into account in the prosecution of the offences covered. The violation of EU sanctions also becomes a predicate offence for money laundering. Moreover, Member States must ensure:

- the freezing and confiscation of 'instrumentalities' and proceeds from the offences, and of funds or economic resources subject to circumvention activities;

- that effective and proportionate tools are available for investigating and prosecuting criminal offences identified in the directive;
- collection of statistical data (e.g. on prosecutions and convictions, on types and levels of penalties) to be submitted annually to the Commission;
- they designate a unit/body to ensure coordination and cooperation between law enforcement authorities and authorities in charge of implementing EU sanctions;
- cooperation between Member States' competent authorities, the Commission, Europol, Eurojust and the European Public Prosecutor's Office.

### Use of proceeds from immobilised Russian Central Bank assets to help Ukraine

The political debate on using the proceeds from the immobilised assets of the Central Bank of Russia has been intense and cautious, due to the [complexity](#) of the legal aspects and their potential repercussions, and has taken place within the G7 framework. The estimated amount of immobilised assets in G7 countries, the EU and Australia is [€260 billion](#) (with more than two thirds of those immobilised in the [EU](#)).

In May 2024, the Council [greenlighted](#) the use of [unexpected and extraordinary revenues](#) resulting from the implementation of EU sanctions against Russia to help Ukraine. In July 2024, the EU made available the [first payment of €1.5 billion](#) generated from immobilised Russian assets. The funds were directed towards Ukraine's armed forces, defence industry and reconstruction, channelled through the European Peace Facility and other EU programmes.

In October 2024, the G7 group of countries reached a final [agreement](#) on how to implement US\$50 billion (approximately €45 billion) in Extraordinary Revenue Acceleration (ERA) loans to Ukraine. The loans will be serviced and repaid by future flows of extraordinary revenues stemming from the immobilisation of Russian sovereign assets, in line with G7 countries' respective legal systems and international law. A few days before the final G7 agreement, the EU had already [greenlighted](#) its part of the deal, an extraordinary macro-financial assistance (MFA) loan of [€18.1 billion](#) to Ukraine, and the setting up of the [Ukraine Loan Cooperation Mechanism](#), which will channel the extraordinary revenues from the immobilisation of Russian Central Bank Assets to Ukraine to repay the eligible G7 ERA loans and the EU's MFA loan. On [10 December 2024](#), the United States disbursed its share in full, transferring a [US\\$20 billion](#) ERA Loan into a [financial fund](#) recently established by the World Bank, for further allocation to eligible uses in Ukraine through approved [projects](#).

## Challenges and perspectives for 2025

EU sanctions against Russia are a key component of the overall [EU response](#) to Russia's full-scale invasion of Ukraine, along with economic, political and military assistance to Ukraine. Although international sanctions have elevated the [cost](#) of Russia's military action, they have not prevented Russia from continuing its war of aggression. Experts point to a number of untapped sectors and possible measures to maximise their impact, such as:

- **Energy:** Further EU [decoupling](#) from Russia's energy supplies is part of the [REPowerEU](#) strategy, addressing remaining imports of **pipeline gas** and, especially, of **LNG**, which, contrary to oil and coal, are not under sanctions. The share of Russia's pipeline gas in EU imports [dropped](#) from over 40 % in 2021 to about 8 % in 2023, while for pipeline gas and LNG combined Russia accounted for less than 15 % of total EU gas imports. However, according to [CREA](#), in the final months of 2024 there was a massive surge in Russian revenues from LNG (20 %) and from pipeline gas (19 %), and the EU was the largest buyer of both (49 % and 40 % of Russia's exports, respectively). In addition, **sanctions exemptions** still allow pipeline crude oil imports to Hungary, Slovakia and Czechia. The [refining loophole](#), which allows non-sanctioning countries to import Russian oil, refine it, and export the refined products to sanctioning countries, continued to boost Russia's crude export revenues in 2024. Sanctioning countries imported €15.8 billion of oil products from six refineries in India and Türkiye in 2024. Tightening enforcement of the **oil price cap**, preventing Russia from further expanding its shadow fleet, and further

lowering price caps on Russian crude oil and oil products is necessary, according to experts ([KSE](#)). Sanctioning Russian **nuclear energy** and services has proven [controversial](#) so far, but the Commission has [pledged](#) to explore the way forward.

- Extending **import bans** (or, alternatively, imposing **higher tariffs**) to other goods imported from Russia, such as fertilisers. Russia's share in extra-EU imports of **fertilisers** [rose](#) from 17% in the third quarter of 2022 to 31% in the third quarter of 2024. Following calls by some Member States and [private sector](#) operators, on 28 January 2025 the Commission made a [proposal](#) to raise tariffs on a number of agricultural products from Russia and Belarus, as well as on certain nitrogen-based fertilisers. If adopted by the Council and the European Parliament, all agricultural imports from Russia would be subject to EU tariffs. **Higher tariffs** can be applied to other Russian commodities not subject to EU import bans, since Russia has lost its MFN status. Among other things, this could also disincentivise **Western companies still present** in Russia. Data compiled by the Kyiv School of Economics and Ukrainian volunteers show that, as of 2023, around [800 multinational companies](#) from sanctioning countries were still operating in Russia (60% of those present before February 2022), with Germany, the United States and France being the [top three countries](#) of origin, in terms of [profit tax revenues](#).
- Imposing a full ban on Russia's lucrative **aluminium** and **nickel** imports has been [advocated](#) since at least 2023. Although they have decreased since 2022, these imports constituted 2.6% and 2.8% of total EU imports from Russia in 2024 (i.e. €0.75 billion and €0.84 billion, respectively);<sup>3</sup> the UK and US have [imposed](#) a full ban. The [16th package of sanctions](#), under preparation, will likely target aluminium imports. The import ban on **iron and steel** does not cover all categories of these products, and existing sanctions exemptions and national derogations still allow a considerable influx, representing 7.8% of EU total imports from Russia in 2024,<sup>4</sup> i.e. €2.34 billion. Russia's share in extra-EU imports of iron and steel [rose](#) by 2 percentage points in the third quarter of 2024 compared to the third quarter of 2022.
- On the **anti-circumvention side**, it is critical to curb Russian imports of battlefield goods subject to export controls, which continue to flow despite sanctions. [Financial institutions](#) could play an important role, applying lessons learnt from anti-money-laundering (AML) and countering financing of terrorism (CTF) frameworks. Equally critical is to identify and target [professional service providers](#) facilitating sanctions evasion.
- Experts emphasise the need to streamline the EU's **internal sanctions enforcement** and improve the consistency of sanctions implementation and enforcement practices across the EU, where there are more than 160 [competent authorities](#) within the 27 Member States. Proposals range from establishing an EU equivalent to the US Office of Foreign Assets Control (OFAC), to more immediate institutional and procedural adjustments, such as tapping into the [full potential](#) of existing EU agencies and expert bodies. Besides reinforcing the sanctions teams in DG FISMA and the EEAS, this would involve [extending](#) the powers of the European Public Prosecutor's Office (EPPO), fully using the powers of the newly created Authority for Anti-Money Laundering and Countering the Financing of Terrorism ([AMLA](#)) on financial sanctions enforcement, and leveraging the role of FRONTEX, OLAF, Europol and Eurojust. The introduction of qualified majority voting ([QMV](#)) on sanctions and extending their required renewal period beyond 6 months would make EU sanctions policy more agile and credible, many [experts](#) believe.

In view of the link between circumvention of targeted financial sanctions and money-laundering, Parliament succeeded in establishing a role for **AMLA**, as the EU-wide supervisor of the largest financial entities, in ensuring that financial institutions comply with requirements related to the implementation of targeted financial sanctions.

## European Parliament position

Since Russia's illegal annexation of Crimea and Sevastopol in 2014, Parliament has been a vocal advocate of severe sanctions. On numerous occasions, the Commission and the Council have taken action following Parliament's demands.

In its [resolution](#) of 9 November 2023 **on the effectiveness of the EU sanctions on Russia**, Parliament called for a comprehensive review of these sanctions, including stronger, centralised EU oversight of their implementation, information sharing and better alignment of export control across jurisdictions. MEPs underlined that certain grave cases of sanctions evasion could be considered complicity in Russia's war crimes. In its [resolution](#) of 29 February 2024 **on the need for unwavering EU support for Ukraine**, Parliament restated the urgency for a solid legal regime to allow Russian state-owned assets frozen by the EU to be confiscated and used for Ukraine's reconstruction and for compensation of war victims. MEPs called for banning Russian uranium and metallurgical imports to the EU, terminating nuclear cooperation with Russia and imposing a full embargo on EU imports of Russian agricultural and fishery products, fossil fuels and LNG. Parliament also condemned all countries, companies, associations and individuals that are helping Russia circumvent EU sanctions, stating that these practices should be criminalised at EU level. Parliament's [resolution](#) of 19 September 2024 **on continued financial and military support to Ukraine by EU Member States** renewed the urgency of most of the above demands. Its [resolution](#) of 14 November 2024 **on EU actions against the Russian shadow fleets and ensuring a full enforcement of sanctions against Russia** demanded specific action to counter Russia's shadow fleet, full closure of the EU market to Russian fossil fuels and a full ban on Russian LNG and LPG imports. MEPs emphasised the need for a comprehensive review of how EU sanctions on Russia are working. Shortly after, the 15th package of sanctions expanded the list of targeted vessels to 79. On 29 February 2024, Parliament adopted a [resolution on the murder of Alexei Navalny and the need for EU action in support of political prisoners and oppressed civil society in Russia](#) and, on 25 April 2024, a [resolution on new allegations of Russian interference in the European Parliament, in the upcoming EU elections and the impact on the EU](#) (see also '[EP resolutions – Russia](#)').

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Caprile, A. and Delivorias, A., [EU Sanctions on Russia: Update, economic impact and outlook](#), EPRS, European Parliament, September 2023.

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Olsen, K. and Portela, C., [Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions](#), Policy Department for External Relations, European Parliament, October 2023.

## ENDNOTES

- <sup>1</sup> None of the measures the EU adopted target in any way the trade in agricultural and food products, including wheat and fertilisers, between third countries and Russia.
- <sup>2</sup> [Eurostat Comext](#), based on data for the first 10 months of the year.
- <sup>3</sup> Idem.
- <sup>4</sup> Idem.

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## Annex I – EU sanctions against Russia: Legal basis

Russian activity targeted by sanctions	Type of sanction*	Legal basis**	Date initially adopted	Renewal period ***	Scope
Violations of Ukrainian sovereignty	Individual; geographical	<a href="#">Council Decision</a> 2014/145/CFSP; <a href="#">Council Regulation</a> (EU) 269/2014	17.3.2014	6 months (until <a href="#">15.03.25</a> )	Close to 2 400 individuals and entities
Violations of Ukrainian sovereignty	Economic; geographical	<a href="#">Council Decision</a> 2014/512/CFSP; is <a href="#">Council Regulation</a> (EU) 833/2014	31.7.2014	6 months (until <a href="#">31.07.25</a> )	Finance, transport, defence, energy, technology, export-import restrictions
Violations of Ukrainian sovereignty (Crimea)	Economic; geographical	<a href="#">Council Decision</a> 2014/386/CFSP; <a href="#">Council Regulation</a> (EU) 692/2014	23.6.2014	12 months	Trade and financial restrictions
Violations of Ukrainian sovereignty (Donetsk, Kherson, Luhansk and Zaporizhzhia)	Economic; geographical	<a href="#">Council Decision</a> 2022/266/CFSP <a href="#">Council Regulation</a> (EU) 2022/263	23.2.2022	12 months	Trade and financial restrictions
Chemical weapons	Individual; thematic	<a href="#">Council Decision</a> (CFSP) 2018/1544; <a href="#">Council Regulation</a> (EU) 2018/1542	15.10.2018	12 months	Russia: 18 individuals, 1 entity Total: 25 individuals, 3 entities
Cyber attacks	Individual; thematic	<a href="#">Council Decision</a> (CFSP) 2019/797; <a href="#">Council Regulation</a> (EU) 2019/796	17.5.2019	12 months	Russia: 12 individuals, 2 entities Total: 14 individuals, 4 entities
Human rights abuses (global)	Individual; thematic	<a href="#">Council Decision</a> (CFSP) 2020/1999; <a href="#">Council Regulation</a> (EU) 2020/1998	7.12.2020	12 months	Russia: 86 individuals, 16 entities Total: 116 individuals, 31 entities
Human rights violations in Russia	Individual; economic; thematic and geographical	<a href="#">Council Decision</a> (CFSP) 2024/1484 <a href="#">Council Regulation</a> (EU) 2024/1485	27.05.2024	12 months	19 individuals, 1 entity
Russia's destabilising activities abroad ('hybrid attacks')	Individual; economic; thematic and geographical	<a href="#">Council Decision</a> (CFSP) 2024/2643 <a href="#">Council Regulation</a> (EU) 2024/2642	8.10.2024	12 months	16 individuals, 3 entities

Data source: [EU sanctions map](#) (as of 22 January 2025).

\* Individual/economic and thematic/geographical sanctions: Individual sanctions (sometimes referred to as 'targeted' sanctions) concern individual persons and entities, and take the form of travel bans, asset freezes and financial restrictions, whereas economic sanctions concern entire sectors or the economy as a whole. Thematic (global) sanctions concern particular types of behaviour, regardless of location, as opposed to geographical sanctions, limited to a particular territory.

\*\* Restrictive measures (sanctions) are [adopted](#) within the EU's common foreign and security policy: under [Article 29 TEU](#), the Council takes decisions to adopt, renew or lift sanctions regimes by unanimity, on the basis of proposals from the High Representative of the Union for Foreign Affairs and Security Policy. The economic and financial aspects of such decisions (e.g. import/export restrictions and freezing of assets) are implemented by regulations adopted by the Council on the basis of [Article 215 TFEU](#), by qualified majority, upon a joint proposal by the High Representative and the European Commission. The Council decision and Council regulation are therefore adopted at the same time, in most cases.

\*\*\* The renewal period for EU sanctions regimes ranges from 6 to 12 months, requiring unanimity. A number of EU Member States and the European Parliament have [demanded](#) that the renewal period for all sanctions regimes applicable to Russia be extended to 12 months. Hungary has so far [opposed](#) the change.