

Trump Administration Declines to Issue Sanctions Related to Russia's Military and Intelligence Sectors

January 30, 2018

Under Section 231 of the Countering America's Adversaries Through Sanctions Act (CAATSA), the Trump administration was due to issue secondary sanctions on non-U.S. persons that conduct significant transactions with Russia's defense and intelligence sectors. The Trump administration declined to issue those new sanctions, claiming that CAATSA was serving as an effective deterrent – discouraging non-U.S. entities from doing business with the Russian defense and intelligence sectors – and that no new sanctions were needed at this time.

Non-U.S. companies should remain on notice that the U.S. government retains the ability to sanction non-U.S. firms for dealings with the Russian military and intelligence sectors, should the administration choose to exercise that authority in the future.