Australia implements expanded sanctions regulations against Russia

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The Australian government has recently expanded its autonomous sanctions regime against Russia. The *Autonomous Sanctions Amendment (Russia, Crimea and Sevastopol) Regulation 2015 (Cth)*\(^1\) and the *Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2015 (Cth)*\(^2\) commenced on 31 March 2015 in response to Russia’s ongoing threat to the sovereignty and territorial integrity of Ukraine.

The expanded sanctions significantly expand on existing targeted financial sanctions and travel bans which were imposed by the Australian government in June and September 2014. The new regulations largely mirror sanctions already implemented by the European Union, Canada and the United States.

Generally speaking, the Australian sanctions impose restrictions on the provision, export or supply of goods and services, commercial activities and investment in Russia, Crimea and Sevastopol. Particular restrictions imposed by the sanctions include:

- the export to and import from Russia of arms and related material,
- the export to Russia of specified items for use in petroleum exploration and production,
- the export to Crimea and Sevastopol of specified items for use in the energy and minerals sector,
- commercial dealing with certain capital financial market instruments issued by certain Russian state-owned and controlled entities,
- Australian investment in Crimea and Sevastopol related to infrastructure, transport, telecommunications, energy, oil, gas and minerals sector, and
- the export or provision of services including technical or financial advice and service to Crimea or Sevastopol.

The amendments also vary the scope of a number of the existing sanctions in that they now apply in respect of an activity relating to a country or part of a country. For example, the Minister may now designate export sanctioned goods for a particular part of a country.

Companies engaged in commercial dealings with Russian entities should carefully consider the potential application of these sanctions. The sanctions are forward-looking and will apply to all future transactions. However, persons with pre-existing legal obligations to engage in activities which are or might be subject to the new sanction laws may apply for a sanctions permit through the Online Sanctions Administration System (OSAS) within 90 days of the commencement of the new sanctions.

This article was written by Leon Chung, Partner, Erin Christlo, Solicitor and Anna Prell, Graduate, Sydney.

Endnotes

1. *Autonomous Sanctions Amendment (Russia, Crimea and Sevastopol) Regulation 2015 (Cth).*

2. *Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2015 (Cth).*