



STEPTOE OUTSIDE COUNSEL

EU restrictions on certain imports from Russia and Belarus

The European Union has imposed unprecedented sanctions on Russia and Belarus, affecting a wide range of economic sectors, persons, and entities. As part of these sanctions, the EU has also imposed restrictions on imports into the EU, and related activities, of certain products from Russia and Belarus.

Such restrictions were first imposed on Belarus on 25 June 2021, following the unlawful forced landing of an intra-EU Ryanair flight in Minsk on 23 May 2021. As part of a broader sanctions package, the EU imposed restrictions on the import, purchase, and transport of certain petroleum and gaseous hydrocarbon products originating or located in Belarus. Similar restrictions were imposed with respect to potassium chloride products ("potash").

Additional import and related restrictions were imposed on Belarus on 3 March 2022, as a result of Belarus' support for Russia's invasion of Ukraine. First, the restrictions regarding certain petroleum and gaseous hydrocarbon products and potash originating or located in Belarus were expanded to cover additional products. Second, similar restrictions were imposed on wood products, cement products, iron and steel products, and rubber products.

Subsequently, on 16 March 2022 the EU imposed its fourth sanctions package on Russia in response to the invasion of Ukraine. For the first time, import and related restrictions were imposed by the EU on Russia.¹ Indeed, the EU imposed restrictions on the import, purchase, and transport of certain iron and steel products originating or located in Russia.²

Scope

The scope of these EU restrictions is far-reaching. For instance, it is prohibited to:

- import, directly or indirectly, certain iron and steel products into the EU if they (i) originate in Russia, or (ii) have been exported from Russia;
- purchase, directly or indirectly, certain

iron and steel products that are located or that originated in Russia; and

- transport certain iron and steel products if they originated in Russia or are being exported from Russia to any other country.³

The import and related restrictions on Belarus are worded similarly. A key aspect is that not only is the import of certain iron and steel products prohibited, but also the purchase thereof.

The language of the provision is very broad and also covers stocks of iron or steel products of Russian origin outside of Russia. The provision even suggests that existing stocks in the EU of covered iron or steel products of Russian origin that were imported prior to the imposition of the measures would be covered by the prohibition to purchase or transport such products. Evidently, this would go against the object and purpose of the sanctions, and would only affect companies in the EU with existing stocks. Certain EU Member State authorities have confirmed that they do not interpret these prohibitions to cover such situations, even though the language of the provision appears to do so. Similarly, EU guidance in the context of the import and related restrictions on wood products also confirms that the restrictions do not apply to products that have been customs cleared before the entry into force of the restrictions. Consequently, it appears unlikely that companies with existing stocks in the EU would face issues. In this respect, it is important to note that guidance is not legally binding.

Additional restrictions

On 8 April 2022 the EU adopted a fifth sanctions package on Russia in response to the invasion of Ukraine. At the time of writing, the measures had not yet been published. However, it was announced that additional import and related restrictions would be imposed on coal and other solid fossil fuels, wood, cement, fertilisers, seafood, and liquor, originating or located in Russia.

The restrictions on Russian coal are noteworthy, as they are a first step towards a much discussed and controversial import ban on Russian fossil fuels. What until recently appeared unimaginable, has started to become a reality as a result of the Russian invasion of Ukraine. The foundations, however, were laid as a result of the forced landing of a Ryanair flight in May 2021. ■

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¹ The restrictions concerning Crimea and Sevastopol, and the non-government controlled areas of Donetsk and Luhansk oblasts of Ukraine are not counted as restrictions on Russia as these are internationally recognized territories of Ukraine.

² Whereas the restrictions regarding Belarus cover all iron and steel, as well as all articles of iron or steel, the restrictions regarding Russia are more limited and cover only a (still broad) subset of products.

³ There are also restrictions regarding technical assistance, brokering services, financing or financial assistance, including financial derivatives, that are outside the scope of this article.