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Intelligence & Investigations

UK / Russia sanctions update June 2024



New UK sanctions to crack down on Putin's war machine

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New targets include ships in Putin's shadow fleet, institutions at the heart of Russia's financial system and suppliers supporting Russia's military production.

These new sanctions, announced while the Prime Minister attends the G7 Leaders Summit in Italy, will bear down on Russia's ability to fund and equip its war machine and show the UK's steadfast support for Ukraine.

Today's action includes the UK's first sanctions targeting vessels in Putin's shadow fleet, used by Russia to circumvent UK and G7 sanctions and continue unfettered trade in Russian oil.

As part of its enduring commitment to the region, the UK has today committed to providing £242m in bilateral assistance to Ukraine, to support immediate humanitarian, energy and stabilisation needs, and is also working with counterparts to agree a mechanism to bring forward the extraordinary profits stemming from immobilized Russian sovereign assets to the benefit of Ukraine.

Russia's oil exports are Putin's most critical revenue source for funding his illegal war in Ukraine. Tax on oil production collected by the Kremlin in 2023 amounted to 8.9 trillion roubles, or 31% of Russia's total federal revenues. Today's sanctions aim to disrupt and increase the costs of Russia's efforts to bypass UK and G7 sanctions through its shadow fleet.

These new sanctions also target suppliers of munitions, machine tools, microelectronics, and logistics to Russia's military, including entities based in China, Israel, Kyrgyzstan and Türkiye, along with ships which transport military goods from North Korea to Russia.

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In addition, this new package cracks down on institutions at the heart of Russia's financial system, including the Moscow Stock Exchange. This action is taken in coordination with the US, which designated the Moscow Stock Exchange on 12 June.

Prime Minister Rishi Sunak said:

“The UK will always stand shoulder to shoulder with Ukraine in its fight for freedom”

Today we are once more ramping up economic pressure through sanctions to bear down on Russia's ability to fund its war machine. Putin must lose, and cutting off his ability to fund a prolonged conflict is absolutely vital.

Foreign Secretary, David Cameron said:

UK sanctions are starving Putin of the revenue he desperately needs to fund his war chest and making it harder to supply his war machine.

We will continue to work alongside our partners to increase economic pressure and demonstrate that the UK and the G7 will stand by Ukraine in this fight.

So far, sanctions have deprived Russia of over \$400bn worth of assets and revenues since February 2022. That's equivalent to four more years of funding for the invasion. The UK has sanctioned over 2,000 individuals and entities under our Russia sanctions regime.

This includes 29 banks accounting for over 90% of the Russian banking sector and over 130 oligarchs and family members who had a combined net worth around £147 billion at the time of the invasion. Over £20 billion of UK-Russia bilateral trade (2021 figures) is now under full or partial sanction. There has been a 99% fall in Russian imports into the UK, and a 73% fall in UK exports to Russia.

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More information

A full list of those sanctioned today is as follows. 48 designations and ship specifications made under the Russia (Sanctions) (EU Exit) Regulations 2019:

Four vessels in Russia's 'shadow fleet':

OCEAN AMZ (IMO 9394935)

CANIS POWER (IMO 9289520)

ROBON (IMO 9144782)

NS LAGUNA (IMO 9339325)

Two vessels which have shipped weapons to Russia:

LADY R (IMO 9161003)

ANGARA (IMO 9179842)

Six entities operating in or supporting the Russian Liquefied Natural Gas (LNG) sector:

MURMANSK LNG LLC

SMART LNG LLC

NOVATEK MURMANSK LLC

RUSCHEMALLIANCE LLC

RED BOX ENERGY SERVICES PTE LTD (entity based in Singapore)

EKO SHIPPING LLC

One insurer

INGOSSTRAKH INSURANCE COMPANY

One ship manager

ONE MOON MARINE SERVICES LLC

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Two entities involved in the Russian civil nuclear sector:

JSC RUSATOM ARCTIC

INNOVATION HUB LLC

Four entities and one individual connected to Russia's financial system:

PUBLIC JOINT STOCK COMPANY MOSCOW EXCHANGE GROUP

PJSC SPB EXCHANGE

JOINT STOCK COMPANY NATIONAL SETTLEMENT DEPOSITRY

CENTRAL COUNTERPARTY NATIONAL CLEARING CENTRE

YURI OLEGOVICH DENISOV

Twenty-one suppliers of munitions, machine tools, microelectronics, logistics or other supplies to the Russian military-industrial complex:

TAMBOV POWDER PLANT

KAZAN STATE GOVT GUNPOWDER PLANT

BINA GROUP LLC

FEDERAL STATE ENTERPRISE KAMENSKY COMBINE

SONATEK

LLC KOMPANIYA AMG

JSC MECHANICAL PLANT "MECHPLANT"

VOLGA-DNEPR

MACHINE BUILDING PLANT ARSENAL

BOSFOR AVRASYA (entity based in Türkiye)

EGETIR OTOMOTIV (entity based in Türkiye)

SINO MACHINERY CO., LTD (entity based in China)

HENGSHUI YUANCHEM (entity based in China)

HENGSHUI HESHUO CELLULOSE CO., LTD (entity based in China)

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HENGBANGWEI ELECTRONICS LTD (entity based in China)

TEXEL FCG TECH 2100 LTD (entity based in Israel)

MARKS BLATS

LLC INTER STYLE PLUS (entity based in Kyrgyzstan)

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Six individuals or entities who have benefited since the invasion in key sectors for the Russian state:

IVAN VLADIMIROVICH TAVRIN

AVET VLADIMIROVICH MIRAKYAN

DENIS VLADIMIROVICH FROLOV

ARMEN MERUZHANOVICH SARKISYAN

FEDERAL STATE UNITARY ENTERPRISE CENTRAL ORDER OF THE RED BANNER SCIENTIFIC RESEARCH AUTOMOBILE AND AUTOMOTIVE ENGINES INSTITUTE NAMI

YAKUB SALMANOVICH ZAKRIEV

Two designations made under the Central African Republic (Sanctions) (EU Exit) Regulations 2019 of entities linked to Wagner Group:

DIAMVILLE

WOOD INTERNATIONAL GROUP SARLU

Note on ship specification:

Ships specified under the Russia (Sanctions) (EU Exit) Regulations 2019 are prohibited from entering a port in the UK, may be given a movement or a port entry direction, can be detained, and will be refused permission to register on the UK Ship Register or have its existing registration terminated. In addition, the Oil Price Cap exception is not applicable to services in relation to specified ships, or to the supply or delivery of Russian oil or oil products in specified ships. The Office for Financial Sanctions Implementation has published guidance on the Russian Oil Services ban. Limited exceptions apply and licences may be granted for specified ships, as set out in Part 7 of the Russia (Sanctions) (EU Exit) Regulations 2019.

As set out in the general election guidance, international business continues as normal during the period of the general election. The announcements made by the Government at the G7 conform to that guidance, which also makes clear that essential business must be allowed to continue.

In line with established convention, the Opposition have been consulted on the announcements.

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Information sourced from the UK government

<https://www.gov.uk/government/news/new-uk-sanctions-to-crack-down-on-putins-war-machine>