



Council of the
European Union

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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: COUNCIL DECISION amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine

COUNCIL DECISION (CFSP) 2022/...

of ...

**amending Decision 2014/512/CFSP concerning restrictive measures
in view of Russia's actions destabilising the situation in Ukraine**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union and in particular Article 29 thereof,

Having regard to the proposal from the High Representative of the Union for Foreign Affairs and Security Policy,

Whereas:

- (1) On 31 July 2014, the Council adopted Decision 2014/512/CFSP¹.
- (2) In its conclusions of 24 and 25 June 2021, the European Council called on Russia to fully assume its responsibility in ensuring the full implementation of the Minsk Agreements as the key condition for any substantial change in the Union's stance. It stressed the need for a firm and coordinated response by the Union and its Member States to any further malign, illegal and disruptive activity by Russia, making full use of all instruments at the Union's disposal, and ensuring coordination with partners. To that end, the European Council also invited the Commission and the High Representative of the Union for Foreign Affairs and Security Policy (the 'High Representative') to present options for additional restrictive measures, including economic sanctions.
- (3) In its conclusions of 16 December 2021, the European Council stressed the urgent need for Russia to de-escalate tensions caused by the military build-up along its border with Ukraine and aggressive rhetoric. It reiterated its full support for Ukraine's sovereignty and territorial integrity. While encouraging diplomatic efforts and supporting the Normandy format in achieving the full implementation of the Minsk Agreements, the European Council stated that any further military aggression against Ukraine would have massive consequences and severe cost in response, including restrictive measures coordinated with partners.

¹ Council Decision 2014/512/CFSP of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.7.2014, p. 13).

- (4) On 24 January 2022, the Council approved conclusions in which it condemned Russia's continued aggressive actions and threats against Ukraine, and called on Russia to de-escalate, to abide by international law and to engage constructively in dialogue through the established international mechanisms. The Council reaffirmed the Union's full commitment to the core principles on which European security is built, enshrined in the United Nations (UN) Charter and the founding documents of the Organization for Security and Co-operation in Europe, including the Helsinki Final Act and the Charter of Paris. These core principles include, in particular, the sovereign equality and territorial integrity of States, the inviolability of frontiers, refraining from the threat or use of force, and the freedom of States to choose or change their own security arrangements. The Council stated that those principles are neither negotiable nor subject to revision or re-interpretation and that their violation by Russia is an obstacle to a common and indivisible security space in Europe and threatens peace and stability on the European continent. Recalling the European Council Conclusions of 16 December 2021, the Council reiterated that any further military aggression by Russia against Ukraine would have massive consequences and severe costs, including a wide array of sectoral and individual restrictive measures that would be adopted in coordination with partners.

- (5) On 19 February 2022, the High Representative issued a declaration on behalf of the Union expressing concern over the massive build-up of Russian armed forces in and around Ukraine, and urged Russia to engage in meaningful dialogue and diplomacy, show restraint and de-escalate by a substantial withdrawal of military forces from the proximity of Ukraine's borders.
- (6) On 21 February 2022, the President of the Russian Federation signed a decree recognising the "independence and sovereignty" of the non-government-controlled areas of the Donetsk and Luhansk oblasts of Ukraine, and ordered the Russian armed forces into those areas.
- (7) On 22 February 2022, the High Representative issued a declaration on behalf of the Union condemning that illegal act, which further undermines Ukraine's sovereignty and independence and is a severe breach of international law and international agreements, including the UN Charter, the Helsinki Final Act, the Paris Charter and the Budapest Memorandum, as well as of the Minsk Agreements and of UN Security Council Resolution 2202 (2015). The High Representative urged Russia, as a party to the conflict, to reverse that recognition, uphold its commitments, abide by international law and return to the discussions within the Normandy format and the Trilateral Contact Group. He announced that the Union would respond to these latest violations by Russia by adopting additional restrictive measures as a matter of urgency.

- (8) In view of the gravity of the situation, the Council considers it appropriate to take further restrictive measures in response to Russia's actions destabilising the situation in Ukraine.
- (9) In particular, restrictions on access to the capital market should be imposed, in particular by prohibiting the financing of Russia, its Government and its Central Bank.
- (10) Further action by the Union is needed in order to implement certain measures.
- (11) Decision 2014/512/CFSP should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Decision 2014/512/CFSP is amended as follows:

- (1) The following Article is inserted after Article 1:

‘Article 1a

1. The direct or indirect purchase or sale of, the direct or indirect provision of investment services for or assistance in the issuance of, or any other dealing with transferable securities and money-market instruments issued after ... [OJ: please insert here a date 14 days after the entry into force of the amending act] by:

- (a) Russia and its Government;
- (b) the Russian Central Bank; or,
- (c) a legal person, entity or body acting on behalf of, or at the direction of, the entity referred to in point (b),

shall be prohibited.

2. It shall be prohibited to directly or indirectly make, or be part of any arrangement to make, any new loans or credit to any legal person, entity or body referred to in paragraph 1 after ...[OJ: please insert the date of entry into force of the amending act]. This prohibition shall not apply to loans or credit that have a specific and documented objective to provide financing for non-prohibited imports or exports of goods and non-financial services between the Union and any third State, including the expenditure for goods and services from another third State that is necessary for executing the export or import contracts.
3. The prohibition in paragraph 2 shall not apply to drawdown or disbursements made under a contract concluded before ...[OJ: please insert the date of entry into force of the amending act] provided that the following conditions are met:
 - (a) all the terms and conditions of such drawdown or disbursements:
 - (i) were agreed before ...[OJ: please insert the date of entry into force of the amending act]; and
 - (ii) have not been modified on or after that date; and
 - (b) before ...[OJ: please insert the date of entry into force of the amending act] a contractual maturity date has been fixed for the repayment in full of all funds made available and for the cancellation of all the commitments, rights and obligations under the contract.

The terms and conditions of drawdowns and disbursements referred to in point (a) include provisions concerning the length of the repayment period for each drawdown or disbursement, the interest rate applied or the interest rate calculation method, and the maximum amount.’;

(2) In Article 7, paragraph 1, point (a) is replaced by the following:

‘(a) entities referred to in points (b) or (c) of Article 1(1), in points (c) or (d) of Article 1(2), in points (a), (b) or (c) of Article 1a(1), or listed in Annex I, II, III, or IV;’.

Article 2

This Decision shall enter into force on the date of its publication in the *Official Journal of the European Union*.

Done at ...,

For the Council

The President
